



HEALTH ANNUAL STATEMENT

FOR THE YEAR ENDED DECEMBER 31, 2012
OF THE CONDITION AND AFFAIRS OF THE

Anthem Health Plans of Maine, Inc.

NAIC Group Code	0671 (Current)	0671 (Prior)	NAIC Company Code	52618	Employer's ID Number	31-1705652
Organized under the Laws of	Maine		State of Domicile or Port of Entry		Maine	
Country of Domicile	United States of America					
Licensed as business type:	Other					
Is HMO Federally Qualified?	Yes [] No [X]					
Incorporated/Organized	03/10/2000		Commenced Business		06/05/2000	
Statutory Home Office	2 Gannett Drive (Street and Number)		South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)			
Main Administrative Office	2 Gannett Drive (Street and Number)		866-583-6182 (Area Code) (Telephone Number)			
	South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)					
Mail Address	2 Gannett Drive (Street and Number or P.O. Box)		South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)			
Primary Location of Books and Records	2 Gannett Drive (Street and Number)		866-583-6182 (Area Code) (Telephone Number)			
	South Portland, ME, US 04106-6911 (City or Town, State, Country and Zip Code)					
Internet Website Address	www.anthem.com					
Statutory Statement Contact	Joanne Lauterbach (Name)		207-822-7794 (Area Code) (Telephone Number)			
	joanne.lauterbach@anthem.com (E-mail Address)		207-822-8999 (FAX Number)			

OFFICERS

President and Chairperson	Daniel Patrick Corcoran	Treasurer	Robert David Kretschmer
Secretary	Kathleen Susan Kiefer	Assistant Secretary and Clerk	Lendall Libby Smith Esq. #

OTHER

Timothy Paul Deno # Valuation Actuary

DIRECTORS OR TRUSTEES

Daniel Patrick Corcoran	Carter Allen Beck	Kathleen Susan Kiefer
Wayne Scott DeVeydt	Robert David Kretschmer	John Edward Gallina
Catherine Irene Kelaghan		

State of Maine County of Cumberland SS:

The officers of this reporting entity being duly sworn, each depose and say that they are the described officers of said reporting entity, and that on the reporting period stated above, all of the herein described assets were the absolute property of the said reporting entity, free and clear from any liens or claims thereon, except as herein stated, and that this statement, together with related exhibits, schedules and explanations therein contained, annexed or referred to, is a full and true statement of all the assets and liabilities and of the condition and affairs of the said reporting entity as of the reporting period stated above, and of its income and deductions therefrom for the period ended, and have been completed in accordance with the NAIC Annual Statement Instructions and Accounting Practices and Procedures manual except to the extent that: (1) state law may differ; or, (2) that state rules or regulations require differences in reporting not related to accounting practices and procedures, according to the best of their information, knowledge and belief, respectively. Furthermore, the scope of this attestation by the described officers also includes the related corresponding electronic filing with the NAIC, when required, that is an exact copy (except for formatting differences due to electronic filing) of the enclosed statement. The electronic filing may be requested by various regulators in lieu of or in addition to the enclosed statement.

<u>Daniel P. Corcoran</u> Daniel Patrick Corcoran President	<u>Kathleen Susan Kiefer</u> Kathleen Susan Kiefer Secretary	<u>Robert David Kretschmer</u> Robert David Kretschmer Treasurer
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Subscribed and sworn to before me this 23rd day of January, 2013
Sharon W. Berry

- a. Is this an original filing? Yes [X] No []
b. If no,
1. State the amendment number
2. Date filed
3. Number of pages attached



SHARON W. BERRY
Notary Public, Maine
My Commission Expires January 8, 2017

ASSETS

	Current Year			Prior Year
	1	2	3	4
	Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
1. Bonds (Schedule D)	212,072,799		212,072,799	179,694,848
2. Stocks (Schedule D):				
2.1 Preferred stocks			0	0
2.2 Common stocks	165,328		165,328	342,140
3. Mortgage loans on real estate (Schedule B):				
3.1 First liens			0	0
3.2 Other than first liens			0	0
4. Real estate (Schedule A):				
4.1 Properties occupied by the company (less \$0 encumbrances)	8,349,752		8,349,752	8,612,999
4.2 Properties held for the production of income (less \$0 encumbrances)			0	0
4.3 Properties held for sale (less \$0 encumbrances)			0	0
5. Cash (\$(83,454,477) , Schedule E - Part 1), cash equivalents (\$0 , Schedule E - Part 2) and short-term investments (\$2,016,324 , Schedule DA)	(81,438,153)		(81,438,153)	59,226,297
6. Contract loans, (including \$ premium notes)			0	0
7. Derivatives (Schedule DB)			0	0
8. Other invested assets (Schedule BA)	218,090		218,090	0
9. Receivables for securities	556,035		556,035	0
10. Securities lending reinvested collateral assets (Schedule DL)			0	0
11. Aggregate write-ins for invested assets	0	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	139,923,851	0	139,923,851	247,876,284
13. Title plants less \$ charged off (for Title insurers only)			0	0
14. Investment income due and accrued	2,372,201		2,372,201	1,934,020
15. Premiums and considerations:				
15.1 Uncollected premiums and agents' balances in the course of collection	23,554,774	332,056	23,222,718	19,540,592
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due (including \$15,668,687 earned but unbilled premiums)	15,668,687		15,668,687	16,578,556
15.3 Accrued retrospective premiums	2,227,143		2,227,143	206,938
16. Reinsurance:				
16.1 Amounts recoverable from reinsurers	11,239,833		11,239,833	0
16.2 Funds held by or deposited with reinsured companies			0	0
16.3 Other amounts receivable under reinsurance contracts			0	0
17. Amounts receivable relating to uninsured plans	17,982,075	2,349,778	15,632,297	44,713,441
18.1 Current federal and foreign income tax recoverable and interest thereon			0	697,486
18.2 Net deferred tax asset	28,163,430	2,905,886	25,257,544	9,459,518
19. Guaranty funds receivable or on deposit			0	0
20. Electronic data processing equipment and software	668,588	376,426	292,162	642,655
21. Furniture and equipment, including health care delivery assets (\$)	409,076	409,076	0	0
22. Net adjustment in assets and liabilities due to foreign exchange rates			0	0
23. Receivables from parent, subsidiaries and affiliates	34,903,642		34,903,642	30,826,992
24. Health care (\$82,386,746) and other amounts receivable	118,850,182	36,463,436	82,386,746	51,464,777
25. Aggregate write-ins for other than invested assets	62,628,997	883,060	61,745,937	56,934,135
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	458,592,479	43,719,718	414,872,761	480,875,394
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0	0
28. Total (Lines 26 and 27)	458,592,479	43,719,718	414,872,761	480,875,394
DETAILS OF WRITE-INS				
1101.				
1102.				
1103.				
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0	0
2501. Federal Employee Program Assets Held by Agent	60,762,341		60,762,341	56,873,907
2502. State tax recoverable	692,765		692,765	
2503. Prepaid Expenses	812,671	812,671	0	0
2598. Summary of remaining write-ins for Line 25 from overflow page	361,220	70,389	290,831	60,228
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	62,628,997	883,060	61,745,937	56,934,135

LIABILITIES, CAPITAL AND SURPLUS

	Current Year			Prior Year
	1	2	3	4
	Covered	Uncovered	Total	Total
1. Claims unpaid (less \$2,953,982 reinsurance ceded)	91,396,265	393,839	91,790,104	97,012,263
2. Accrued medical incentive pool and bonus amounts			0	0
3. Unpaid claims adjustment expenses.....	2,262,466		2,262,466	2,166,078
4. Aggregate health policy reserves, including the liability of \$0 for medical loss ratio rebate per the Public Health Service Act	85,957,352		85,957,352	76,119,089
5. Aggregate life policy reserves.....			0	0
6. Property/casualty unearned premium reserves.....			0	0
7. Aggregate health claim reserves.....	1,384,446		1,384,446	1,899,266
8. Premiums received in advance.....	16,064,595		16,064,595	18,973,909
9. General expenses due or accrued.....	8,432,132		8,432,132	9,406,290
10.1 Current federal and foreign income tax payable and interest thereon (including \$ on realized capital gains (losses))	3,045,501		3,045,501	0
10.2 Net deferred tax liability.....			0	0
11. Ceded reinsurance premiums payable.....	672,353		672,353	0
12. Amounts withheld or retained for the account of others.....	366,272		366,272	438,057
13. Remittance and items not allocated.....	4,538,499		4,538,499	3,926,224
14. Borrowed money (including \$ current) and interest thereon \$ (including \$ current).....			0	0
15. Amounts due to parent, subsidiaries and affiliates.....	40,348,820		40,348,820	32,513,158
16. Derivatives.....			0	0
17. Payable for securities.....			0	0
18. Payable for securities lending			0	0
19. Funds held under reinsurance treaties (with \$ authorized reinsurers, \$0 unauthorized reinsurers and \$0 certified reinsurers).....			0	0
20. Reinsurance in unauthorized and certified (\$) companies			0	0
21. Net adjustments in assets and liabilities due to foreign exchange rates			0	0
22. Liability for amounts held under uninsured plans.....	10,103,547		10,103,547	6,747,057
23. Aggregate write-ins for other liabilities (including \$1,125,335 current).....	7,117,297	0	7,117,297	7,031,208
24. Total liabilities (Lines 1 to 23).....	271,689,545	393,839	272,083,384	256,232,599
25. Aggregate write-ins for special surplus funds.....	XXX	XXX	0	0
26. Common capital stock.....	XXX	XXX	2,500,000	2,500,000
27. Preferred capital stock.....	XXX	XXX		
28. Gross paid in and contributed surplus.....	XXX	XXX	120,652,900	120,652,900
29. Surplus notes.....	XXX	XXX	0	0
30. Aggregate write-ins for other than special surplus funds.....	XXX	XXX	0	0
31. Unassigned funds (surplus).....	XXX	XXX	19,636,477	101,489,895
32. Less treasury stock, at cost: 32.1 shares common (value included in Line 26 \$).....	XXX	XXX		
32.2 shares preferred (value included in Line 27 \$).....	XXX	XXX		
33. Total capital and surplus (Lines 25 to 31 minus Line 32).....	XXX	XXX	142,789,377	224,642,795
34. Total liabilities, capital and surplus (Lines 24 and 33).....	XXX	XXX	414,872,761	480,875,394
DETAILS OF WRITE-INS				
2301. FEP Special Advance	4,353,675		4,353,675	4,428,350
2302. Escheat Liability	1,099,343		1,099,343	940,233
2303. Other Liabilities	1,090,904		1,090,904	1,082,807
2308. Summary of remaining write-ins for Line 23 from overflow page	573,375	0	573,375	579,818
2309. Totals (Lines 2301 thru 2303 plus 2308)(Line 23 above).....	7,117,297	0	7,117,297	7,031,208
2501.	XXX	XXX		
2502.	XXX	XXX		
2503.	XXX	XXX		
2598. Summary of remaining write-ins for Line 25 from overflow page	XXX	XXX	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above).....	XXX	XXX	0	0
3001.	XXX	XXX		
3002.	XXX	XXX		
3003.	XXX	XXX		
3098. Summary of remaining write-ins for Line 30 from overflow page	XXX	XXX	0	0
3099. Totals (Lines 3001 thru 3003 plus 3098)(Line 30 above).....	XXX	XXX	0	0

STATEMENT OF REVENUE AND EXPENSES

	Current Year		Prior Year
	1 Uncovered	2 Total	3 Total
1. Member Months.....	XXX	4,161,407	4,178,537
2. Net premium income (including \$ non-health premium income)	XXX	1,029,076,060	1,032,775,835
3. Change in unearned premium reserves and reserve for rate credits	XXX	(9,838,264)	(7,339,164)
4. Fee-for-service (net of \$ medical expenses)	XXX	0	0
5. Risk revenue	XXX	0	0
6. Aggregate write-ins for other health care related revenues	XXX	0	0
7. Aggregate write-ins for other non-health revenues	XXX	0	0
8. Total revenues (Lines 2 to 7)	XXX	1,019,237,796	1,025,436,671
Hospital and Medical:			
9. Hospital/medical benefits	3,031,684	706,579,443	710,049,674
10. Other professional services	33,797	7,877,003	7,374,255
11. Outside referrals		0	0
12. Emergency room and out-of-area	144,765	33,739,624	33,396,311
13. Prescription drugs	649,524	151,381,366	142,680,489
14. Aggregate write-ins for other hospital and medical	0	0	0
15. Incentive pool, withhold adjustments, and bonus amounts		0	0
16. Subtotal (Lines 9 to 15)	3,859,770	899,577,436	893,500,729
Less:			
17. Net reinsurance recoveries		14,193,815	0
18. Total hospital and medical (Lines 16 minus 17)	3,859,770	885,383,621	893,500,729
19. Non-health claims (net)			
20. Claims adjustment expenses, including \$15,462,414 cost containment expenses		28,890,134	22,304,283
21. General administrative expenses		55,953,745	54,560,469
22. Increase in reserves for life and accident and health contracts (including \$ increase in reserves for life only)		0	0
23. Total underwriting deductions (Lines 18 through 22).....	3,859,770	970,227,500	970,365,481
24. Net underwriting gain or (loss) (Lines 8 minus 23)	XXX	49,010,296	55,071,190
25. Net investment income earned (Exhibit of Net Investment Income, Line 17)		10,068,502	9,872,954
26. Net realized capital gains (losses) less capital gains tax of \$764,540		1,414,230	397,396
27. Net investment gains (losses) (Lines 25 plus 26)	0	11,482,732	10,270,350
28. Net gain or (loss) from agents' or premium balances charged off [(amount recovered \$) (amount charged off \$)]			
29. Aggregate write-ins for other income or expenses	0	526,949	87,884
30. Net income or (loss) after capital gains tax and before all other federal income taxes (Lines 24 plus 27 plus 28 plus 29)	XXX	61,019,977	65,429,424
31. Federal and foreign income taxes incurred	XXX	21,105,097	20,457,877
32. Net income (loss) (Lines 30 minus 31)	XXX	39,914,880	44,971,547
DETAILS OF WRITE-INS			
0601.	XXX		
0602.	XXX		
0603.	XXX		
0698. Summary of remaining write-ins for Line 6 from overflow page	XXX	0	0
0699. Totals (Lines 0601 thru 0603 plus 0698)(Line 6 above)	XXX	0	0
0701.	XXX		
0702.	XXX		
0703.	XXX		
0798. Summary of remaining write-ins for Line 7 from overflow page	XXX	0	0
0799. Totals (Lines 0701 thru 0703 plus 0798)(Line 7 above)	XXX	0	0
1401.			
1402.			
1403.			
1498. Summary of remaining write-ins for Line 14 from overflow page	0	0	0
1499. Totals (Lines 1401 thru 1403 plus 1498)(Line 14 above)	0	0	0
2901. Miscellaneous Income		526,949	87,884
2902.			
2903.			
2998. Summary of remaining write-ins for Line 29 from overflow page	0	0	0
2999. Totals (Lines 2901 thru 2903 plus 2998)(Line 29 above)	0	526,949	87,884

STATEMENT OF REVENUE AND EXPENSES (Continued)

	1 Current Year	2 Prior Year
CAPITAL AND SURPLUS ACCOUNT		
33. Capital and surplus prior reporting year.....	224,642,795	229,181,437
34. Net income or (loss) from Line 32	39,914,880	44,971,547
35. Change in valuation basis of aggregate policy and claim reserves		
36. Change in net unrealized capital gains (losses) less capital gains tax of \$4,122	7,655	(5,616)
37. Change in net unrealized foreign exchange capital gain or (loss)		
38. Change in net deferred income tax	10,417,468	(2,077,892)
39. Change in nonadmitted assets	(27,369,490)	1,996,820
40. Change in unauthorized and certified reinsurance	0	0
41. Change in treasury stock	0	0
42. Change in surplus notes	0	0
43. Cumulative effect of changes in accounting principles.....	5,176,069	
44. Capital Changes:		
44.1 Paid in	0	0
44.2 Transferred from surplus (Stock Dividend).....	0	0
44.3 Transferred to surplus.....		
45. Surplus adjustments:		
45.1 Paid in	0	0
45.2 Transferred to capital (Stock Dividend)		
45.3 Transferred from capital		
46. Dividends to stockholders	(110,000,000)	(48,800,000)
47. Aggregate write-ins for gains or (losses) in surplus	0	(623,501)
48. Net change in capital and surplus (Lines 34 to 47)	(81,853,418)	(4,538,642)
49. Capital and surplus end of reporting period (Line 33 plus 48)	142,789,377	224,642,795
DETAILS OF WRITE-INS		
4701. Prior Period Adjustment		(623,501)
4702.		
4703.		
4798. Summary of remaining write-ins for Line 47 from overflow page	0	0
4799. Totals (Lines 4701 thru 4703 plus 4798)(Line 47 above)	0	(623,501)

CASH FLOW

	1	2
	Current Year	Prior Year
Cash from Operations		
1. Premiums collected net of reinsurance	1,022,214,773	1,029,220,525
2. Net investment income	11,313,341	11,233,378
3. Miscellaneous income	0	0
4. Total (Lines 1 through 3)	1,033,528,114	1,040,453,903
5. Benefit and loss related payments	902,360,433	865,622,379
6. Net transfers to Separate Accounts, Segregated Accounts and Protected Cell Accounts		
7. Commissions, expenses paid and aggregate write-ins for deductions	51,299,898	84,042,524
8. Dividends paid to policyholders		
9. Federal and foreign income taxes paid (recovered) net of \$764,540 tax on capital gains (losses)	18,126,650	22,830,554
10. Total (Lines 5 through 9)	971,786,981	972,495,457
11. Net cash from operations (Line 4 minus Line 10)	61,741,133	67,958,446
Cash from Investments		
12. Proceeds from investments sold, matured or repaid:		
12.1 Bonds	72,379,743	37,620,059
12.2 Stocks	323,973	242,000
12.3 Mortgage loans	0	0
12.4 Real estate	0	0
12.5 Other invested assets	0	0
12.6 Net gains or (losses) on cash, cash equivalents and short-term investments	0	0
12.7 Miscellaneous proceeds	0	3,872
12.8 Total investment proceeds (Lines 12.1 to 12.7)	72,703,716	37,865,931
13. Cost of investments acquired (long-term only):		
13.1 Bonds	103,865,811	33,495,108
13.2 Stocks	347,690	249,223
13.3 Mortgage loans	0	0
13.4 Real estate	138,669	305,460
13.5 Other invested assets	0	0
13.6 Miscellaneous applications	556,035	0
13.7 Total investments acquired (Lines 13.1 to 13.6)	104,908,205	34,049,791
14. Net increase (decrease) in contract loans and premium notes	0	0
15. Net cash from investments (Line 12.8 minus Line 13.7 minus Line 14)	(32,204,489)	3,816,140
Cash from Financing and Miscellaneous Sources		
16. Cash provided (applied):		
16.1 Surplus notes, capital notes	0	0
16.2 Capital and paid in surplus, less treasury stock	0	0
16.3 Borrowed funds	0	0
16.4 Net deposits on deposit-type contracts and other insurance liabilities	0	0
16.5 Dividends to stockholders	110,000,000	48,800,000
16.6 Other cash provided (applied)	(60,201,094)	33,022,587
17. Net cash from financing and miscellaneous sources (Lines 16.1 to 16.4 minus Line 16.5 plus Line 16.6)	(170,201,094)	(15,777,413)
RECONCILIATION OF CASH, CASH EQUIVALENTS AND SHORT-TERM INVESTMENTS		
18. Net change in cash, cash equivalents and short-term investments (Line 11, plus Lines 15 and 17)	(140,664,450)	55,997,173
19. Cash, cash equivalents and short-term investments:		
19.1 Beginning of year	59,226,297	3,229,124
19.2 End of year (Line 18 plus Line 19.1)	(81,438,153)	59,226,297

Note: Supplemental disclosures of cash flow information for non-cash transactions:

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ANALYSIS OF OPERATIONS BY LINES OF BUSINESS

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Net premium income	1,029,076,060	808,771,741	45,555,304	3,387,499	2,917,444	165,046,812			3,397,260	
2. Change in unearned premium reserves and reserve for rate credit	(9,838,264)	(5,831,432)	(118,397)	0	0	(3,888,435)				
3. Fee-for-service (net of \$ medical expenses)	0									XXX
4. Risk revenue	0									XXX
5. Aggregate write-ins for other health care related revenues	0	0	0	0	0	0	0	0	0	XXX
6. Aggregate write-ins for other non-health care related revenues	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
7. Total revenues (Lines 1 to 6)	1,019,237,796	802,940,309	45,436,907	3,387,499	2,917,444	161,158,377	0	0	3,397,260	0
8. Hospital/medical benefits	706,579,443	554,267,372	32,906,151	2,598,599	2,002,785	110,416,376			4,388,160	XXX
9. Other professional services	7,877,003	2,533				7,874,470				XXX
10. Outside referrals	0									XXX
11. Emergency room and out-of-area	33,739,624	31,672,461	2,067,163		0					XXX
12. Prescription drugs	151,381,366	118,662,781	317,749			32,400,836				XXX
13. Aggregate write-ins for other hospital and medical	0	0	0	0	0	0	0	0	0	XXX
14. Incentive pool, withhold adjustments and bonus amounts	0									XXX
15. Subtotal (Lines 8 to 14)	899,577,436	704,605,147	35,291,063	2,598,599	2,002,785	150,691,682	0	0	4,388,160	XXX
16. Net reinsurance recoveries	14,193,815	14,193,815								XXX
17. Total medical and hospital (Lines 15 minus 16)	885,383,621	690,411,332	35,291,063	2,598,599	2,002,785	150,691,682	0	0	4,388,160	XXX
18. Non-health claims (net)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
19. Claims adjustment expenses including \$15,462,414 cost containment expenses	28,890,134	23,194,149	2,375,126	183,414	187,667	2,948,723			1,055	
20. General administrative expenses	55,953,745	47,966,336	4,911,846	(20,694)	388,103	6,098,065			(3,389,911)	
21. Increase in reserves for accident and health contracts	0									XXX
22. Increase in reserves for life contracts	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
23. Total underwriting deductions (Lines 17 to 22)	970,227,500	761,571,817	42,578,035	2,761,319	2,578,555	159,738,470	0	0	999,304	0
24. Total underwriting gain or (loss) (Line 7 minus Line 23)	49,010,296	41,368,492	2,858,872	626,180	338,889	1,419,907	0	0	2,397,956	0
DETAILS OF WRITE-INS										XXX
0501.										XXX
0502.										XXX
0503.										XXX
0598. Summary of remaining write-ins for Line 5 from overflow page	0	0	0	0	0	0	0	0	0	XXX
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0	XXX
0601.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0602.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0603.		XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	
0698. Summary of remaining write-ins for Line 6 from overflow page	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	0	XXX	XXX	XXX	XXX	XXX	XXX	XXX	XXX	0
1301.										XXX
1302.										XXX
1303.										XXX
1398. Summary of remaining write-ins for Line 13 from overflow page	0	0	0	0	0	0	0	0	0	XXX
1399. Totals (Lines 1301 thru 1303 plus 1398) (Line 13 above)	0	0	0	0	0	0	0	0	0	XXX

UNDERWRITING AND INVESTMENT EXHIBIT

PART 1 - PREMIUMS

	1	2	3	4
Line of Business	Direct Business	Reinsurance Assumed	Reinsurance Ceded	Net Premium Income (Cols. 1 + 2 - 3)
1. Comprehensive (hospital and medical)	812,825,864		4,054,123	808,771,741
2. Medicare Supplement	45,555,304			45,555,304
3. Dental only	3,387,499			3,387,499
4. Vision only	2,917,444			2,917,444
5. Federal Employees Health Benefits Plan	165,046,812			165,046,812
6. Title XVIII - Medicare	0			0
7. Title XIX - Medicaid	0			0
8. Other health	3,397,260			3,397,260
9. Health subtotal (Lines 1 through 8)	1,033,130,183	0	4,054,123	1,029,076,060
10. Life	0			0
11. Property/casualty	0			0
12. Totals (Lines 9 to 11)	1,033,130,183	0	4,054,123	1,029,076,060

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2 - CLAIMS INCURRED DURING THE YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Payments during the year:										
1.1 Direct	902,360,433	706,743,316	35,000,076	2,577,131	1,973,760	151,591,585			4,474,565	
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	902,360,433	706,743,316	35,000,076	2,577,131	1,973,760	151,591,585	0	0	4,474,565	0
2. Paid medical incentive pools and bonuses	0									
3. Claim liability December 31, current year from Part 2A:										
3.1 Direct	94,744,086	72,569,703	6,475,862	199,922	103,845	15,244,754	0	0	150,000	0
3.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
3.3 Reinsurance ceded	2,953,982	2,953,982	0	0	0	0	0	0	0	0
3.4 Net	91,790,104	69,615,721	6,475,862	199,922	103,845	15,244,754	0	0	150,000	0
4. Claim reserve December 31, current year from Part 2D:										
4.1 Direct	1,384,446	1,384,446	0							
4.2 Reinsurance assumed	0									
4.3 Reinsurance ceded	0									
4.4 Net	1,384,446	1,384,446	0	0	0	0	0	0	0	0
5. Accrued medical incentive pools and bonuses, current year	0									
6. Net healthcare receivables (a)	0									
7. Amounts recoverable from reinsurers December 31, current year	11,239,833	11,239,833								
8. Claim liability December 31, prior year from Part 2A:										
8.1 Direct	97,012,263	74,193,052	6,184,875	178,454	74,820	16,144,657	0	0	236,405	0
8.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
8.3 Reinsurance ceded	0	0	0	0	0	0	0	0	0	0
8.4 Net	97,012,263	74,193,052	6,184,875	178,454	74,820	16,144,657	0	0	236,405	0
9. Claim reserve December 31, prior year from Part 2D:										
9.1 Direct	1,899,266	1,899,266								
9.2 Reinsurance assumed	0									
9.3 Reinsurance ceded	0									
9.4 Net	1,899,266	1,899,266	0	0	0	0	0	0	0	0
10. Accrued medical incentive pools and bonuses, prior year	0									
11. Amounts recoverable from reinsurers December 31, prior year	0									
12. Incurred Benefits:										
12.1 Direct	899,577,436	704,605,147	35,291,063	2,598,599	2,002,785	150,691,682	0	0	4,388,160	0
12.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
12.3 Reinsurance ceded	14,193,815	14,193,815	0	0	0	0	0	0	0	0
12.4 Net	885,383,621	690,411,332	35,291,063	2,598,599	2,002,785	150,691,682	0	0	4,388,160	0
13. Incurred medical incentive pools and bonuses	0	0	0	0	0	0	0	0	0	0

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2A - CLAIMS LIABILITY END OF CURRENT YEAR

	1	2	3	4	5	6	7	8	9	10
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefits Plan	Title XVIII Medicare	Title XIX Medicaid	Other Health	Other Non-Health
1. Reported in Process of Adjustment:										
1.1 Direct	7,678,535	6,510,150	242,739	24,140	6,040	886,741			8,725	
1.2 Reinsurance assumed	0									
1.3 Reinsurance ceded	0									
1.4 Net	7,678,535	6,510,150	242,739	24,140	6,040	886,741	0	0	8,725	0
2. Incurred but Unreported:										
2.1 Direct	87,065,551	66,059,553	6,233,123	175,782	97,805	14,358,013			141,275	
2.2 Reinsurance assumed	0									
2.3 Reinsurance ceded	2,953,982	2,953,982								
2.4 Net	84,111,569	63,105,571	6,233,123	175,782	97,805	14,358,013	0	0	141,275	0
3. Amounts Withheld from Paid Claims and Capitations:										
3.1 Direct	0									
3.2 Reinsurance assumed	0									
3.3 Reinsurance ceded	0									
3.4 Net	0	0	0	0	0	0	0	0	0	0
4. TOTALS:										
4.1 Direct	94,744,086	72,569,703	6,475,862	199,922	103,845	15,244,754	0	0	150,000	0
4.2 Reinsurance assumed	0	0	0	0	0	0	0	0	0	0
4.3 Reinsurance ceded	2,953,982	2,953,982	0	0	0	0	0	0	0	0
4.4 Net	91,790,104	69,615,721	6,475,862	199,922	103,845	15,244,754	0	0	150,000	0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2B - ANALYSIS OF CLAIMS UNPAID - PRIOR YEAR - NET OF REINSURANCE

Line of Business	Claims Paid During the Year		Claim Reserve and Claim Liability December 31 of Current Year		5	6
	1	2	3	4		
	On Claims Incurred Prior to January 1 of Current Year	On Claims Incurred During the Year	On Claims Unpaid December 31 of Prior Year	On Claims Incurred During the Year	Claims Incurred In Prior Years (Columns 1 + 3)	Estimated Claim Reserve and Claim Liability December 31 of Prior Year
1. Comprehensive (hospital and medical)	64,340,139	631,163,344	1,335,712	69,664,455	65,675,851	76,092,318
2. Medicare Supplement	6,282,627	28,717,449	21,099	6,454,763	6,303,726	6,184,875
3. Dental Only	152,296	2,424,835	1,190	198,732	153,486	178,454
4. Vision Only	103,631	1,870,129	66	103,779	103,697	74,820
5. Federal Employees Health Benefits Plan	14,907,571	136,684,014	91,696	15,153,058	14,999,267	16,144,657
6. Title XVIII - Medicare					0	0
7. Title XIX - Medicaid					0	0
8. Other health		4,474,565		150,000	0	236,405
9. Health subtotal (Lines 1 to 8)	85,786,264	805,334,336	1,449,763	91,724,787	87,236,027	98,911,529
10. Healthcare receivables (a)					0	0
11. Other non-health					0	0
12. Medical incentive pools and bonus amounts					0	0
13. Totals (Lines 9 - 10 + 11 + 12)	85,786,264	805,334,336	1,449,763	91,724,787	87,236,027	98,911,529

(a) Excludes \$ loans or advances to providers not yet expensed.

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	56,916	56,047	55,867	55,865	55,865
2.	2008	627,117	676,631	676,402	673,207	673,207
3.	2009	XXX	643,678	693,495	695,297	694,939
4.	2010	XXX	XXX	641,980	688,382	686,737
5.	2011	XXX	XXX	XXX	627,790	694,133
6.	2012	XXX	XXX	XXX	XXX	631,163

Section B - Incurred Health Claims - Comprehensive (Hospital & Medical)

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	56,431	56,431	55,000	54,733	54,733
2.	2008	680,452	674,879	674,475	673,205	673,207
3.	2009	XXX	698,704	693,149	695,253	694,936
4.	2010	XXX	XXX	691,578	685,933	686,740
5.	2011	XXX	XXX	XXX	703,947	693,038
6.	2012	XXX	XXX	XXX	XXX	700,828

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Comprehensive (Hospital & Medical)

Years in which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1.	2008	781,609	673,207	22,892	3.4	696,099	89.1			696,099	89.1
2.	2009	773,722	694,939	34,416	5.0	729,355	94.3	0		729,355	94.3
3.	2010	789,139	686,737	20,344	3.0	707,081	89.6	0		707,081	89.6
4.	2011	809,023	694,133	19,396	2.8	713,529	88.2	1,337	2	714,868	88.4
5.	2012	802,940	631,163	19,926	3.2	651,089	81.1	69,663	1,685	722,437	90.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Medicare Supplement

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	7,491	7,499	7,486	7,489	7,489
2.	2008	43,519	49,766	49,785	49,832	49,832
3.	2009	XXX	42,407	47,257	47,552	47,540
4.	2010	XXX	XXX	37,876	43,596	43,887
5.	2011	XXX	XXX	XXX	33,386	39,390
6.	2012	XXX	XXX	XXX	XXX	28,717

Section B - Incurred Health Claims - Medicare Supplement

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	7,534	7,696	7,678	7,489	7,489
2.	2008	51,029	49,525	49,437	49,832	49,832
3.	2009	XXX	48,848	47,845	47,552	47,540
4.	2010	XXX	XXX	43,239	43,501	43,881
5.	2011	XXX	XXX	XXX	39,527	39,278
6.	2012	XXX	XXX	XXX	XXX	35,172

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Medicare Supplement

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2008	62,585	49,832	43,519	87.3	93,351	149.2			93,351	149.2
2.	2009	60,164	47,540	2,404	5.1	49,944	83.0			49,944	83.0
3.	2010	55,258	43,887	2,030	4.6	45,917	83.1	(7)		45,910	83.1
4.	2011	49,752	39,390	1,262	3.2	40,652	81.7	28		40,680	81.8
5.	2012	45,437	28,717	1,965	6.8	30,682	67.5	6,455	121	37,258	82.0

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Dental Only

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	184	190	190	190	190
2.	2008	1,986	2,127	2,128	2,129	2,129
3.	2009	XXX	1,779	1,928	1,933	1,933
4.	2010	XXX	XXX	2,003	2,132	2,148
5.	2011	XXX	XXX	XXX	1,712	1,848
6.	2012	XXX	XXX	XXX	XXX	2,425

Section B - Incurred Health Claims - Dental Only

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	187	193	193	190	190
2.	2008	2,181	2,125	2,126	2,129	2,129
3.	2009	XXX	1,948	1,929	1,933	1,933
4.	2010	XXX	XXX	2,133	2,133	2,148
5.	2011	XXX	XXX	XXX	1,889	1,849
6.	2012	XXX	XXX	XXX	XXX	2,624

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Dental Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008	2,910	2,129	1,986	93.3	4,115	141.4			4,115	141.4
2. 2009	2,531	1,933	100	5.2	2,033	80.3			2,033	80.3
3. 2010	2,750	2,148	96	4.5	2,244	81.6			2,244	81.6
4. 2011	3,229	1,848	66	3.6	1,914	59.3	1		1,915	59.3
5. 2012	3,388	2,425	160	6.6	2,585	76.3	199	6	2,790	82.3

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Vision Only

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior .....	.36	.36	.36	.36	.36
2.	2008 .....	.451	.496	.497	.497	.497
3.	2009	XXX	.612	.684	.685	.685
4.	2010	XXX	XXX	1,059	1,143	1,159
5.	2011	XXX	XXX	XXX	1,117	1,205
6.	2012	XXX	XXX	XXX	XXX	1,870

Section B - Incurred Health Claims - Vision Only

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior .....	.36	.36	.36	.36	.36
2.	2008 .....	.496	.497	.497	.497	.497
3.	2009	XXX	.658	.684	.685	.685
4.	2010	XXX	XXX	1,126	1,143	1,159
5.	2011	XXX	XXX	XXX	1,192	1,205
6.	2012	XXX	XXX	XXX	XXX	1,974

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Vision Only

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008	1,042	.497	.451	90.7	.948	91.0			.948	91.0
2. 2009	1,388	.685	.44	6.4	.729	52.5			.729	52.5
3. 2010	2,189	1,159	.97	8.4	1,256	57.4			1,256	57.4
4. 2011	2,590	1,205	.51	4.2	1,256	48.5			1,256	48.5
5. 2012	2,918	1,870	164	8.8	2,034	69.7	104	3	2,141	73.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	11,011	11,486	11,392	11,392	11,392
2.	2008	124,585	140,824	140,821	140,805	140,805
3.	2009	XXX	126,144	141,868	143,146	143,145
4.	2010	XXX	XXX	135,494	149,364	149,943
5.	2011	XXX	XXX	XXX	133,134	147,464
6.	2012	XXX	XXX	XXX	XXX	136,684

Section B - Incurred Health Claims - Federal Employees Health Benefits Plan Premium

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	11,234	11,576	11,455	11,392	11,392
2.	2008	141,232	140,928	140,809	140,805	140,805
3.	2009	XXX	144,047	142,062	143,151	143,145
4.	2010	XXX	XXX	150,926	149,384	149,943
5.	2011	XXX	XXX	XXX	149,235	147,537
6.	2012	XXX	XXX	XXX	XXX	151,837

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Federal Employees Health Benefits Plan Premium

Years in which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1.	2008	145,039	140,805	4,568	3.2	145,373	100.2			145,373	100.2
2.	2009	153,408	143,145	6,740	4.7	149,885	97.7			149,885	97.7
3.	2010	157,857	149,943	3,179	2.1	153,122	97.0	1		153,123	97.0
4.	2011	158,298	147,464	3,845	2.6	151,309	95.6	91	3	151,403	95.6
5.	2012	161,158	136,684	2,546	1.9	139,230	86.4	15,153	438	154,821	96.1

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XVIII

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	NONE				
2.	2008					
3.	2009		XXX			
4.	2010		XXX	XXX		
5.	2011		XXX	XXX	XXX	
6.	2012		XXX	XXX	XXX	XXX

Section B - Incurred Health Claims - Title XVIII

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	NONE				
2.	2008					
3.	2009		XXX			
4.	2010		XXX	XXX		
5.	2011		XXX	XXX	XXX	
6.	2012		XXX	XXX	XXX	XXX

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XVIII

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payment	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008			NONE							
2. 2009										
3. 2010										
4. 2011										
5. 2012										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Title XIX

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	NONE				
2.	2008					
3.	2009		XXX			
4.	2010		XXX	XXX		
5.	2011		XXX	XXX	XXX	
6.	2012		XXX	XXX	XXX	XXX

Section B - Incurred Health Claims - Title XIX

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	NONE				
2.	2008					
3.	2009		XXX			
4.	2010		XXX	XXX		
5.	2011		XXX	XXX	XXX	
6.	2012		XXX	XXX	XXX	XXX

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Title XIX

Years in which Premiums were Earned and Claims were Incurred	1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payment	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1. 2008			NONE							
2. 2009										
3. 2010										
4. 2011										
5. 2012										

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Other

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	571	571	571	571	571
2.	2008	1,516	1,516	1,516	1,516	1,516
3.	2009	XXX	330	543	513	513
4.	2010	XXX	XXX	1,457	1,819	1,773
5.	2011	XXX	XXX	XXX	1,727	1,773
6.	2012	XXX	XXX	XXX	XXX	4,475

Section B - Incurred Health Claims - Other

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	571	571	571	571	571
2.	2008	2,148	1,516	1,516	1,516	1,516
3.	2009	XXX	1,219	544	513	513
4.	2010	XXX	XXX	2,038	1,830	1,773
5.	2011	XXX	XXX	XXX	1,953	1,773
6.	2012	XXX	XXX	XXX	XXX	4,625

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Other

Years in which Premiums were Earned and Claims were Incurred		1 Premiums Earned	2 Claims Payment	3 Claim Adjustment Expense Payments	4 (Col. 3/2) Percent	5 Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	6 (Col. 5/1) Percent	7 Claims Unpaid	8 Unpaid Claims Adjustment Expenses	9 Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	10 (Col. 9/1) Percent
1.	2008	1,004	1,516	70	4.6	1,586	158.0			1,586	158.0
2.	2009	2,025	513	21	4.1	534	26.4			534	26.4
3.	2010	2,808	1,773	39	2.2	1,812	64.5			1,812	64.5
4.	2011	2,545	1,773	45	2.5	1,818	71.4			1,818	71.4
5.	2012	3,397	4,475	3	0.1	4,478	131.8	150	4	4,632	136.4

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2C - DEVELOPMENT OF PAID AND INCURRED HEALTH CLAIMS
(000 Omitted)

Section A - Paid Health Claims - Grand Total

Year in Which Losses Were Incurred		Cumulative Net Amounts Paid				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	76,209	75,829	75,542	75,543	75,543
2.	2008	799,174	871,360	871,149	867,986	867,986
3.	2009	XXX	814,950	885,775	889,126	888,755
4.	2010	XXX	XXX	819,869	886,436	885,647
5.	2011	XXX	XXX	XXX	798,866	885,813
6.	2012	XXX	XXX	XXX	XXX	805,334

Section B - Incurred Health Claims - Grand Total

Year in Which Losses Were Incurred		Sum of Cumulative Net Amount Paid and Claim Liability, Claim Reserve and Medical Incentive Pool and Bonuses Outstanding at End of Year				
		1 2008	2 2009	3 2010	4 2011	5 2012
1.	Prior	75,993	76,503	74,933	74,411	74,411
2.	2008	877,538	869,470	868,860	867,984	867,986
3.	2009	XXX	895,424	886,213	889,087	888,752
4.	2010	XXX	XXX	891,040	883,924	885,644
5.	2011	XXX	XXX	XXX	897,743	884,680
6.	2012	XXX	XXX	XXX	XXX	897,060

Section C - Incurred Year Health Claims and Claims Adjustment Expense Ratio - Grand Total

Years in which Premiums were Earned and Claims were Incurred		1	2	3	4	5	6	7	8	9	10
		Premiums Earned	Claims Payment	Claim Adjustment Expense Payments	(Col. 3/2) Percent	Claim and Claim Adjustment Expense Payments (Col. 2 + 3)	(Col. 5/1) Percent	Claims Unpaid	Unpaid Claims Adjustment Expenses	Total Claims and Claims Adjustment Expense Incurred (Col. 5+7+8)	(Col. 9/1) Percent
1.	2008	994,189	867,986	73,486	8.5	941,472	94.7	0	0	941,472	94.7
2.	2009	993,238	888,755	43,725	4.9	932,480	93.9	0	0	932,480	93.9
3.	2010	1,010,001	885,647	25,785	2.9	911,432	90.2	(6)	0	911,426	90.2
4.	2011	1,025,437	885,813	24,665	2.8	910,478	88.8	1,457	5	911,940	88.9
5.	2012	1,019,238	805,334	24,764	3.1	830,098	81.4	91,724	2,257	924,079	90.7

UNDERWRITING AND INVESTMENT EXHIBIT

PART 2D - AGGREGATE RESERVE FOR ACCIDENT AND HEALTH CONTRACTS ONLY

	1	2	3	4	5	6	7	8	9
	Total	Comprehensive (Hospital & Medical)	Medicare Supplement	Dental Only	Vision Only	Federal Employees Health Benefit Plan	Title XVIII Medicare	Title XIX Medicaid	Other
1. Unearned premium reserves	212,824	166,416	46,408						
2. Additional policy reserves (a)	0								
3. Reserve for future contingent benefits	0								
4. Reserve for rate credits or experience rating refunds (including \$) for investment income	85,744,528	24,809,187	173,000			60,762,341			
5. Aggregate write-ins for other policy reserves	0	0	0	0	0	0	0	0	0
6. Totals (gross)	85,957,352	24,975,603	219,408	0	0	60,762,341	0	0	0
7. Reinsurance ceded	0								
8. Totals (Net)(Page 3, Line 4)	85,957,352	24,975,603	219,408	0	0	60,762,341	0	0	0
9. Present value of amounts not yet due on claims	0								
10. Reserve for future contingent benefits	1,384,446	1,384,446							
11. Aggregate write-ins for other claim reserves	0	0	0	0	0	0	0	0	0
12. Totals (gross)	1,384,446	1,384,446	0	0	0	0	0	0	0
13. Reinsurance ceded	0								
14. Totals (Net)(Page 3, Line 7)	1,384,446	1,384,446	0	0	0	0	0	0	0
DETAILS OF WRITE-INS									
0501.									
0502.									
0503.									
0598. Summary of remaining write-ins for Line 5 from overflow page.....	0	0	0	0	0	0	0	0	0
0599. Totals (Lines 0501 thru 0503 plus 0598) (Line 5 above)	0	0	0	0	0	0	0	0	0
1101.									
1102.									
1103.									
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0	0	0	0	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198) (Line 11 above)	0	0	0	0	0	0	0	0	0

(a) Includes \$ premium deficiency reserve.

UNDERWRITING AND INVESTMENT EXHIBIT

	Claim Adjustment Expenses		3	4	5
	1	2			
	Cost Containment Expenses	Other Claim Adjustment Expenses	General Administrative Expenses	Investment Expenses	Total
1. Rent (\$2,863,920 for occupancy of own building)	2,131,034	1,939,873	355,433	(8,897)	4,417,443
2. Salary, wages and other benefits	10,753,522	10,546,088	20,215,466	(83,447)	41,431,629
3. Commissions (less \$ ceded plus \$ assumed)			11,282,923	0	11,282,923
4. Legal fees and expenses	1,052	1,984	(128,320)	252	(125,032)
5. Certifications and accreditation fees				0	0
6. Auditing, actuarial and other consulting services	2,610,336	327,384	4,964,827	(15,884)	7,886,663
7. Traveling expenses	82,657	62,944	403,528	(1,104)	548,025
8. Marketing and advertising	129,102	628	1,582,167	(3,441)	1,708,456
9. Postage, express and telephone	400,616	522,654	1,740,558	(5,354)	2,658,474
10. Printing and office supplies	103,885	15,550	89,664	(420)	208,679
11. Occupancy, depreciation and amortization					0
12. Equipment	31,504	4,821	190,055	(455)	225,925
13. Cost or depreciation of EDP equipment and software	1,693,366	231,787	1,388,884	(6,661)	3,307,376
14. Outsourced services including EDP, claims, and other services	2,316,757	3,529,995	3,219,382	(18,223)	9,047,911
15. Boards, bureaus and association fees	11,969		412,985	(854)	424,100
16. Insurance, except on real estate			209,585	(421)	209,164
17. Collection and bank service charges		204	211,504	(426)	211,282
18. Group service and administration fees	1,884,968	1,172,327	3,627,259	(13,436)	6,671,118
19. Reimbursements by uninsured plans	(7,432,866)	(7,179,807)	(12,583,435)	0	(27,196,108)
20. Reimbursements from fiscal intermediaries					0
21. Real estate expenses	28,140	4,815	433,094	(937)	465,112
22. Real estate taxes			101,835	(205)	101,630
23. Taxes, licenses and fees:					
23.1 State and local insurance taxes	214		(1,026,275)	2,062	(1,023,999)
23.2 State premium taxes			10,739,239	(21,586)	10,717,653
23.3 Regulatory authority licenses and fees	616	114	62,563	(127)	63,166
23.4 Payroll taxes	703,872	700,562	1,199,993	(5,235)	2,599,192
23.5 Other (excluding federal income and real estate taxes)	3		451,905	(908)	451,000
24. Investment expenses not included elsewhere				241,728	241,728
25. Aggregate write-ins for expenses	11,667	1,545,797	6,808,926	(16,818)	8,349,572
26. Total expenses incurred (Lines 1 to 25)	15,462,414	13,427,720	55,953,745	39,203	(a) .....84,883,082
27. Less expenses unpaid December 31, current year ..	1,210,904	1,051,562	8,432,132		10,694,598
28. Add expenses unpaid December 31, prior year	1,256,325	909,753	9,406,290	0	11,572,368
29. Amounts receivable relating to uninsured plans, prior year			48,520,387	0	48,520,387
30. Amounts receivable relating to uninsured plans, current year			17,982,075		17,982,075
31. Total expenses paid (Lines 26 minus 27 plus 28 minus 29 plus 30)	15,507,835	13,285,911	26,389,591	39,203	55,222,540
DETAILS OF WRITE-INS					
2501. State Health Assessments			5,810,784		5,810,784
2502. Miscellaneous Expense	11,667	1,545,797	998,142	(16,818)	2,538,788
2503.					
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	11,667	1,545,797	6,808,926	(16,818)	8,349,572

(a) Includes management fees of \$71,845,487 to affiliates and \$ to non-affiliates.

EXHIBIT OF NET INVESTMENT INCOME

		1	2
		Collected During Year	Earned During Year
1.	U.S. government bonds	(a) .....418,947	.....322,125
1.1	Bonds exempt from U.S. tax	(a) .....	.....
1.2	Other bonds (unaffiliated)	(a) .....6,292,650	.....6,881,897
1.3	Bonds of affiliates	(a) .....	.....
2.1	Preferred stocks (unaffiliated)	(b) .....	.....
2.11	Preferred stocks of affiliates	(b) .....	.....
2.2	Common stocks (unaffiliated) .....	.....2,717	.....2,717
2.21	Common stocks of affiliates .....	.....	.....
3.	Mortgage loans	(c) .....	.....
4.	Real estate	(d) .....	.....2,863,920
5	Contract Loans .....	.....	.....
6	Cash, cash equivalents and short-term investments	(e) .....33,313	.....33,313
7	Derivative instruments	(f) .....	.....
8.	Other invested assets .....	.....	.....
9.	Aggregate write-ins for investment income .....	.....3,733	.....3,733
10.	Total gross investment income	6,751,360	10,107,705
11.	Investment expenses .....	.....	(g) .....64,997
12.	Investment taxes, licenses and fees, excluding federal income taxes .....	.....	(g) .....(25,794)
13.	Interest expense .....	.....	(h)
14.	Depreciation on real estate and other invested assets .....	.....	(i)
15.	Aggregate write-ins for deductions from investment income .....	.....	.....0
16.	Total deductions (Lines 11 through 15) .....	.....	.....39,203
17.	Net investment income (Line 10 minus Line 16)	.....	10,068,502
DETAILS OF WRITE-INS			
0901.	Miscellaneous Income .....	.....3,733	.....3,733
0902.	.....	.....	.....
0903.	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page .....	.....0	.....0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	.....3,733	.....3,733
1501.	.....	.....	.....
1502.	.....	.....	.....
1503.	.....	.....	.....
1598.	Summary of remaining write-ins for Line 15 from overflow page .....	.....	.....0
1599.	Totals (Lines 1501 thru 1503 plus 1598) (Line 15, above)	.....	.....0

- (a) Includes \$139,536 accrual of discount less \$1,420,639 amortization of premium and less \$809,457 paid for accrued interest on purchases.
- (b) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued dividends on purchases.
- (c) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (d) Includes \$2,863,920 for company's occupancy of its own buildings; and excludes \$ interest on encumbrances.
- (e) Includes \$ accrual of discount less \$ amortization of premium and less \$ paid for accrued interest on purchases.
- (f) Includes \$ accrual of discount less \$ amortization of premium.
- (g) Includes \$. investment expenses and \$ investment taxes, licenses and fees, excluding federal income taxes, attributable to segregated and Separate Accounts.
- (h) Includes \$ interest on surplus notes and \$ interest on capital notes.
- (i) Includes \$ depreciation on real estate and \$ depreciation on other invested assets.

EXHIBIT OF CAPITAL GAINS (LOSSES)

		1	2	3	4	5
		Realized Gain (Loss) On Sales or Maturity	Other Realized Adjustments	Total Realized Capital Gain (Loss) (Columns 1 + 2)	Change in Unrealized Capital Gain (Loss)	Change in Unrealized Foreign Exchange Capital Gain (Loss)
1.	U.S. Government bonds	1,262,729	0	1,262,729	0	0
1.1	Bonds exempt from U.S. tax .....	.....	.....	0	.....	.....
1.2	Other bonds (unaffiliated)	910,256	0	910,256	0	0
1.3	Bonds of affiliates	0	0	0	0	0
2.1	Preferred stocks (unaffiliated)	0	0	0	0	0
2.11	Preferred stocks of affiliates	0	0	0	0	0
2.2	Common stocks (unaffiliated)	5,785	0	5,785	14,938	0
2.21	Common stocks of affiliates	0	0	0	0	0
3.	Mortgage loans .....	.....	0	0	0	0
4.	Real estate .....	.....	0	0	.....	0
5.	Contract loans .....	.....	.....	0	.....	.....
6.	Cash, cash equivalents and short-term investments .....	.....	.....	0	.....	.....
7.	Derivative instruments .....	.....	.....	0	.....	.....
8.	Other invested assets .....	.....	0	0	(3,161)	0
9.	Aggregate write-ins for capital gains (losses)	0	0	0	0	0
10.	Total capital gains (losses)	2,178,770	0	2,178,770	11,777	0
DETAILS OF WRITE-INS						
0901.	.....	.....	.....	.....	.....	.....
0902.	.....	.....	.....	.....	.....	.....
0903.	.....	.....	.....	.....	.....	.....
0998.	Summary of remaining write-ins for Line 9 from overflow page	0	0	0	0	0
0999.	Totals (Lines 0901 thru 0903 plus 0998) (Line 9, above)	0	0	0	0	0

EXHIBIT OF NON-ADMITTED ASSETS

	1	2	3
	Current Year Total Nonadmitted Assets	Prior Year Total Nonadmitted Assets	Change in Total Nonadmitted Assets (Col. 2 - Col. 1)
1. Bonds (Schedule D)			0
2. Stocks (Schedule D):			
2.1 Preferred stocks			0
2.2 Common stocks			0
3. Mortgage loans on real estate (Schedule B):			
3.1 First liens			0
3.2 Other than first liens.....			0
4. Real estate (Schedule A):			
4.1 Properties occupied by the company			0
4.2 Properties held for the production of income.....			0
4.3 Properties held for sale			0
5. Cash (Schedule E - Part 1), cash equivalents (Schedule E - Part 2) and short-term investments (Schedule DA)			0
6. Contract loans			0
7. Derivatives (Schedule DB)			0
8. Other invested assets (Schedule BA)			0
9. Receivables for securities			0
10. Securities lending reinvested collateral assets (Schedule DL)			0
11. Aggregate write-ins for invested assets	0	0	0
12. Subtotals, cash and invested assets (Lines 1 to 11)	0	0	0
13. Title plants (for Title insurers only)			0
14. Investment income due and accrued			0
15. Premiums and considerations:			
15.1 Uncollected premiums and agents' balances in the course of collection	332,056	500,192	168,136
15.2 Deferred premiums, agents' balances and installments booked but deferred and not yet due			0
15.3 Accrued retrospective premiums			0
16. Reinsurance:			
16.1 Amounts recoverable from reinsurers			0
16.2 Funds held by or deposited with reinsured companies			0
16.3 Other amounts receivable under reinsurance contracts			0
17. Amounts receivable relating to uninsured plans	2,349,778	3,806,946	1,457,168
18.1 Current federal and foreign income tax recoverable and interest thereon			0
18.2 Net deferred tax asset	2,905,886	3,114,497	208,611
19. Guaranty funds receivable or on deposit			0
20. Electronic data processing equipment and software	376,426	1,404,375	1,027,949
21. Furniture and equipment, including health care delivery assets	409,076	326,888	(82,188)
22. Net adjustment in assets and liabilities due to foreign exchange rates			0
23. Receivable from parent, subsidiaries and affiliates			0
24. Health care and other amounts receivable	36,463,436	6,762,634	(29,700,802)
25. Aggregate write-ins for other than invested assets	883,060	434,696	(448,364)
26. Total assets excluding Separate Accounts, Segregated Accounts and Protected Cell Accounts (Lines 12 to 25)	43,719,718	16,350,228	(27,369,490)
27. From Separate Accounts, Segregated Accounts and Protected Cell Accounts			0
28. Total (Lines 26 and 27)	43,719,718	16,350,228	(27,369,490)
DETAILS OF WRITE-INS			
1101.			
1102.			
1103.			
1198. Summary of remaining write-ins for Line 11 from overflow page	0	0	0
1199. Totals (Lines 1101 thru 1103 plus 1198)(Line 11 above)	0	0	0
2501. Prepaid Expenses	812,672	193,348	(619,324)
2502. Miscellaneous receivables	70,388	241,348	170,960
2503.			
2598. Summary of remaining write-ins for Line 25 from overflow page	0	0	0
2599. Totals (Lines 2501 thru 2503 plus 2598)(Line 25 above)	883,060	434,696	(448,364)

EXHIBIT 1 - ENROLLMENT BY PRODUCT TYPE FOR HEALTH BUSINESS ONLY

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
1. Health Maintenance Organizations	6,522	5,896	5,761	5,597	5,371	68,316
2. Provider Service Organizations						
3. Preferred Provider Organizations	84,694	87,867	81,487	81,418	82,483	985,665
4. Point of Service	50,278	50,089	49,912	50,248	50,285	601,052
5. Indemnity Only	22,292	22,487	22,764	22,055	21,387	267,125
6. Aggregate write-ins for other lines of business.....	187,994	198,823	205,693	172,829	173,919	2,239,249
7. Total	351,780	365,162	365,617	332,147	333,445	4,161,407
DETAILS OF WRITE-INS						
0601. Medicare Supplement	21,877	21,192	20,827	20,849	20,509	251,593
0602. Federal Employees Program (FEP)	39,464	39,982	40,222	35,800	35,660	427,025
0603. Dental	9,156	8,918	9,218	9,996	9,643	112,115
0698. Summary of remaining write-ins for Line 6 from overflow page	117,497	128,731	135,426	106,184	108,107	1,448,516
0699. Totals (Lines 0601 thru 0603 plus 0698) (Line 6 above)	187,994	198,823	205,693	172,829	173,919	2,239,249

NOTES TO FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Accounting Practices

The accompanying financial statements of Anthem Health Plans of Maine, Inc. (the "Company") have been prepared in conformity with the National Association of Insurance Commissioners' ("NAIC") *Annual Statement Instructions* and in accordance with accounting practices prescribed by the NAIC *Accounting Practices and Procedures Manual* ("NAIC SAP"), subject to any deviations prescribed or permitted by the Maine Bureau of Insurance (the "Bureau").

For the years ended December 31, 2012 and 2011, there were no differences between the Company's statutory-basis capital and surplus or net income under NAIC SAP and practices prescribed or permitted by the Bureau.

B. Use of Estimates in the Preparation of the Financial Statements

Preparation of financial statements requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

C. Accounting Policy

Health premiums are earned over the term of the related insurance policies. Unearned premium reserves are established to cover the unexpired portion of premiums written and are computed by pro rata methods for direct business. Premiums paid by subscribers prior to the effective date are recorded on the balance sheet as premiums received in advance and are subsequently credited to income as earned during the coverage period. Premium rates for certain lines of business are subject to approval by the Bureau. Expenses incurred in connection with acquiring new insurance business, including acquisition costs such as sales commissions, are charged to operations as incurred. All other costs, such as premium taxes and other underwriting expenses, are charged to operations as incurred.

In addition, the Company uses the following accounting policies:

- (1) Short-term investments include investments with maturities of less than one year at the date of acquisition and are reported at amortized cost, which approximates fair value. Non-investment grade short-term investments are stated at the lower of amortized cost or fair value.
- (2) Investment grade bonds not backed by other loans are stated at amortized cost, with amortization calculated based on the modified scientific method, using lower of yield to call or yield to maturity. Non-investment grade bonds are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (3) Common stocks of unaffiliated companies are stated at fair value as determined by various third-party pricing sources.
- (4) The Company has no investments in preferred stocks.
- (5) The Company has no mortgage loans on real estate.
- (6) Loan-backed securities are stated at amortized cost. Pre-payment assumptions for loan-backed securities and structured securities were obtained from broker-dealer survey values or internal estimates. These assumptions are consistent with the current interest rate and economic environment. The retrospective adjustment method is used to value all loan-backed securities. Non-investment grade loan-backed securities are stated at the lower of amortized cost or fair value as determined by various third-party pricing sources.
- (7) The Company has no investments in subsidiaries, controlled and affiliated companies.
- (8) The Company has no investments in joint ventures, partnerships or limited liability companies.
- (9) The Company has no derivative instruments.
- (10) The Company does not anticipate investment income as a factor in premium deficiency calculations.
- (11) Unpaid claims and claims adjustment expenses include management's best estimate of amounts based on historical claim development patterns and certain individual case estimates. The established liability considers health benefit provisions, business practices, economic conditions and other factors that may materially affect the cost, frequency and severity of claims. Liabilities for unpaid claims and claim adjustment expenses are based on assumptions and estimates, and while management believes such estimates are reasonable, the ultimate liability may be in excess of or less than the amount provided. The methods for making such estimates and for establishing the resulting liabilities are continually reviewed and changes in estimates are incorporated into current period estimates.
- (12) The Company has not modified its capitalization policy from the prior period.
- (13) Pharmacy rebate receivables are recorded when earned based on actual rebate receivables billed and an estimate of receivables based on current utilization of specific pharmaceuticals and provider contract terms.
- (14) Service fees earned from providing administrative services to self-insured customers are deducted from operating expenses, and related claim payments and subsequent reimbursements of those claim payments are excluded from net income.
- (15) The Company records a liability for future policy benefits relating to certain individual and group contracts. The liability represents the present value of future benefits to be paid to or on behalf of policy holders and related expenses less the present value of future net premiums. Changes in the liability for future benefits are reported as a component of net income in the period in which the change occurs.

2. Accounting Changes and Corrections of Errors

A. Accounting Changes

The NAIC adopted Statement of Statutory Accounting Principles ("SSAP") No. 101, *Income Taxes, A Replacement of SSAP No. 10R and SSAP No. 10* ("SSAP No. 101"), in the fourth quarter of 2011 with an effective date of January 1, 2012. The revised standard contains changes to accounting for current and deferred federal and foreign income taxes. One of the changes impacting the Company is that the increased reversal period assumptions and surplus limitations are no longer elective. If the Company qualifies for the increased benefits due to sufficient risk-based capital levels then they are mandatory. The Company had not previously elected the increased benefits available under SSAP No. 10R and does qualify for the increased benefits.

The most significant impact for the Company is the use of increased reversal period assumptions. The cumulative impact on surplus of the adoption of this pronouncement is \$5,176,069. The impact is reported in the 2012 statements as an increase to surplus on Page 5.

NOTES TO FINANCIAL STATEMENTS

B. Corrections of Errors

There were no corrections of errors during the years ended December 31, 2012 and 2011.

3. Business Combinations and Goodwill

- A. Statutory Purchase Method:** Not applicable.
- B. Statutory Merger:** Not applicable.
- C. Assumption Reinsurance:** Not applicable.
- D. Impairment Loss:** Not applicable.

4. Discontinued Operations

The Company had no operations that were discontinued during 2012 or 2011.

5. Investments**A. Mortgage Loans, including Mezzanine Real Estate Loans**

The Company did not have investments in mortgage loans at December 31, 2012 or 2011.

B. Debt Restructuring

The Company did not have invested assets that were restructured debt at December 31, 2012 or 2011.

C. Reverse Mortgages

The Company did not have investments in reverse mortgages at December 31, 2012 or 2011.

D. Loan-Backed Securities

- (1) Prepayment assumptions for mortgage-backed/loan-backed and structured securities were obtained from broker-dealer survey values or internal estimates. The Company used various third-party pricing sources in determining the market value of its loan-backed securities.
- (2) The Company did not recognize other-than-temporary impairments on its loan-backed securities during the year ended December 31, 2012.
- (3) The Company did not hold other-than-temporarily impaired loan-backed securities at December 31, 2012.
- (4) The Company had no impaired securities for which an other-than-temporary impairment had not been recognized in earnings as a realized loss at December 31, 2012.
- (5) The Company follows a consistent and systematic process for impairing securities that sustain other-than-temporary declines in value. The Company has established a committee responsible for the impairment review process. The decision to impair a security incorporates both quantitative criteria and qualitative information. The impairment review process considers a number of factors including but not limited to (1) the length of time and the extent to which a security's fair value has been less than statement value; (2) the financial condition and near term prospects of the issuer; (3) the intent to sell and, for loan-backed and structured securities, the intent and ability of the Company to retain its investment for a period of time to allow for any anticipated recovery in value; (4) whether the debtor is current on interest and principal payments; and (5) general market conditions and industry or sector specific factors. For securities that are deemed to be other-than-temporarily impaired, the security is adjusted to its fair value (or its discounted cash flows for loan-backed and structured securities), and the resulting losses are recognized in net realized gains or losses in the statutory-basis statements of income. The new cost basis of the impaired securities is not increased for future recoveries in fair value.

E. Repurchase Agreements and/or Securities Lending Transactions

The Company did not enter into repurchase agreements or securities lending transactions during 2012 or 2011.

F. Real Estate

- (1) The Company did not recognize any impairment losses on its real estate investment during the years ended December 31, 2012 or 2011.
- (2) The Company did not engage in retail land sales operations during 2012 or 2011.

A. Investments in Low-Income Housing Tax Credits

The Company did not invest in properties generating low-income housing tax credits during 2012 or 2011.

NOTES TO FINANCIAL STATEMENTS

6. Joint Ventures, Partnerships and Limited Liability Companies

- A. The Company did not have investments in joint ventures, partnerships or limited liability companies that exceeded 10% of its admitted assets at December 31, 2012 or 2011.
- B. Not applicable.

7. Investment Income

- A. All investment income due and accrued with amounts that are over 90 days past due is non-admitted.
- B. At December 31, 2012 and 2011 there was no non-admitted accrued investment interest income.

8. Derivative Instruments

The Company has no derivative instruments.

9. Income Taxes

- A. The components of the net deferred tax asset/(liability) at December 31 are as follows:

(1)

12/31/2012		
(1)	(2)	(3)
Ordinary	Capital	(Col 1+2) Total
(a) Gross Deferred Tax Assets ("DTA")	\$ 28,250,277	\$ - \$ 28,250,277
(b) Statutory Valuation Allowance Adjustments	\$ -	\$ - \$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 28,250,277	\$ - \$ 28,250,277
(d) Deferred Tax Assets Nonadmitted	2,905,886	- 2,905,886
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 25,344,391	\$ - \$ 25,344,391
(f) Deferred Tax Liabilities	\$ (5,268)	\$ (81,579) \$ (86,847)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 25,339,123	\$ (81,579) \$ 25,257,544

12/31/2011		
(4)	(5)	(6)
Ordinary	Capital	(Col 4+5) Total
(a) Gross Deferred Tax Assets	\$ 17,848,627	\$ - \$ 17,848,627
(b) Statutory Valuation Allowance Adjustments	\$ -	\$ - \$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 17,848,627	\$ - \$ 17,848,627
(d) Deferred Tax Assets Nonadmitted	8,290,566	- 8,290,566
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 9,558,061	\$ - \$ 9,558,061
(f) Deferred Tax Liabilities	\$ (9,627)	\$ (88,916) \$ (98,543)
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 9,548,434	\$ (88,916) \$ 9,459,518

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary	(Col 2-5) Capital	(Col 7+8) Total
(a) Gross Deferred Tax Assets	\$ 10,401,650	\$ - \$ 10,401,650
(b) Statutory Valuation Allowance Adjustments	\$ -	\$ - \$ -
(c) Adjusted Gross Deferred Tax Assets (1a - 1b)	\$ 10,401,650	\$ - \$ 10,401,650
(d) Deferred Tax Assets Nonadmitted	(5,384,680)	- (5,384,680)
(e) Subtotal Net Admitted Deferred Tax Asset (1c - 1d)	\$ 15,786,330	\$ - \$ 15,786,330
(f) Deferred Tax Liabilities	\$ 4,359	\$ 7,337 \$ 11,696
(g) Net Admitted Deferred Tax Asset/(Net Deferred Tax Liability) (1e - 1f)	\$ 15,790,689	\$ 7,337 \$ 15,798,026

NOTES TO FINANCIAL STATEMENTS

(2) The admission calculation components under each component of SSAP No. 101 at December 31 are as follows:

12/31/2012			
(1)	(2)	(3)	
Ordinary	Capital	(Col 1+2)	Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 24,372,560	\$ -	\$ 24,372,560
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 884,984	\$ -	\$ 884,984
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ 884,984	\$ -	\$ 884,984
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	xxx	xxx	\$ 17,585,951
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	\$ 86,847	\$ -	\$ 86,847
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+2(c))	\$ 25,344,391	\$ -	\$ 25,344,391

12/31/2011			
(4)	(5)	(6)	
Ordinary	Capital	(Col 4+5)	Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 9,459,518	\$ -	\$ 9,459,518
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ -	\$ -	\$ -
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ -	\$ -	\$ -
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	xxx	xxx	\$ 25,967,819
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	\$ 98,543	\$ -	\$ 98,543
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+2(c))	\$ 9,558,061	\$ -	\$ 9,558,061

Change			
(7)	(8)	(9)	
(Col 1-4)	(Col 2-5)	(Col 7+8)	Total
Admission Calculation Components SSAP No. 101			
(a) Federal Income Taxes Paid In Prior Years Recoverable Through Loss Carrybacks	\$ 14,913,042	\$ -	\$ 14,913,042
(b) Adjusted Gross Deferred Tax Assets Expected To Be Realized (Excluding The Amount Of Deferred Tax Assets From 2(a) above) After Application of the Threshold Limitation. (The Lesser of 2(b)1 and 2(b)2 Below)	\$ 884,984	\$ -	\$ 884,984
1. Adjusted Gross Deferred Tax Assets Expected to be Realized Following the Balance Sheet Date	\$ 884,984	\$ -	\$ 884,984
2. Adjusted Gross Deferred Tax Assets Allowed per Limitation Threshold	xxx	xxx	\$ (8,381,868)
(c) Adjusted Gross Deferred Tax Assets (Excluding The Amount of Deferred Tax Assets From 2(a) and 2(b) above) Offset by Gross Deferred Tax Liabilities	\$ (11,696)	\$ -	\$ (11,696)
(d) Deferred Tax Assets Admitted as the result of application of SSAP No. 101 Total (2(a)+2(b)+2(c))	\$ 15,786,330	\$ -	\$ 15,786,330

NOTES TO FINANCIAL STATEMENTS

(3)

	2012	2011
(a) Ratio Percentage Used to Determine Recovery Period And Threshold Limitation Amount	531%	764%
(b) Amount Of Adjusted Capital And Surplus Used to Determine Recovery Period And Threshold Limitation in 2(b)2 Above	\$142,789,377	\$224,642,795

(4) The impact of tax-planning strategies at December 31 are as follows:

12/31/2012		
(1)	(2)	(3)
Ordinary Percent	Capital Percent	(Col 1+2) Total Percent

Impact of Tax-Planning Strategies

(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	0%	0%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0%	0%	0%

12/31/2011		
(4)	(5)	(6)
Ordinary Percent	Capital Percent	(Col 4+5) Total Percent

Impact of Tax-Planning Strategies

(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	0%	0%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0%	0%	0%

Change		
(7)	(8)	(9)
(Col 1-4) Ordinary Percent	(Col 2-5) Capital Percent	(Col 7+8) Total Percent

Impact of Tax-Planning Strategies

(a) Adjusted Gross DTAs (% of Total Adjusted Gross DTAs)	0%	0%	0%
(b) Net Admitted Adjusted Gross DTAs (% of Total Net Admitted Adjusted Gross DTAs)	0%	0%	0%

(c) Does the Company's tax-planning strategies include the use of reinsurance? Yes _____ No X

B. The Company has no unrecognized deferred tax liabilities at December 31, 2012 and 2011.

NOTES TO FINANCIAL STATEMENTS

C. Current income taxes incurred consist of the following major components:

	(1) 12/31/2012	(2) 12/31/2011	(3) (Col 1-2) Change
1. Current Income Tax			
(a) Federal	\$ 21,444,090	\$ 20,908,883	\$ 535,207
(b) Foreign	-	-	-
(c) Subtotal	21,444,090	20,908,883	535,207
(d) Federal income tax on net capital gains	764,540	220,749	543,791
(e) Utilization of capital loss carry-forwards	(338,992)	(451,007)	112,015
(f) Other	-	-	-
(g) Federal and foreign income taxes incurred	\$ 21,869,638	\$ 20,678,625	\$ 1,191,013
2. Deferred Tax Assets:			
(a) Ordinary			
(1) Discounting of unpaid losses	232,175	472,691	(240,516)
(2) Unearned premium reserve	1,139,419	1,342,717	(203,298)
(3) Policyholder reserves	3,229,344	969,252	2,260,092
(4) Investments	-	-	-
(5) Deferred acquisition costs	-	-	-
(6) Policyholder dividends accrual	-	-	-
(7) Fixed assets	3,197,619	3,256,460	(58,841)
(8) Compensation and benefits accrual	11,787	168,643	(156,856)
(9) Pension accrual	-	-	-
(10) Receivables - nonadmitted	13,700,844	3,884,720	9,816,124
(11) Net operating loss carry-forward	523,066	411,052	112,014
(12) Tax credit carry-forward	-	-	-
(13) Other (including items <5% of total ordinary tax assets)	6,216,023	7,343,092	(1,127,069)
(99) Subtotal	\$ 28,250,277	\$ 17,848,627	\$ 10,401,650
(b) Statutory valuation allowance adjustment	-	-	-
(c) Nonadmitted	(2,905,886)	(8,290,566)	5,384,680
(d) Admitted ordinary deferred tax assets (2a99 - 2b - 2c)	\$ 25,344,391	\$ 9,558,061	\$ 15,786,330
(e) Capital:			
(1) Investments	-	-	-
(2) Net capital loss carry-forward	-	-	-
(3) Real estate	-	-	-
(4) Other (including items <5% of total capital tax assets)	-	-	-
(99) Subtotal	\$ -	\$ -	\$ -
(f) Statutory valuation allowance adjustment	-	-	-
(g) Nonadmitted	-	-	-
(h) Admitted capital deferred tax assets (2e99 - 2f - 2g)	\$ -	\$ -	\$ -
(i) Admitted deferred tax assets (2d + 2h)	\$ 25,344,391	\$ 9,558,061	\$ 15,786,330
3. Deferred Tax Liabilities:			
(a) Ordinary			
(1) Investments	-	-	-
(2) Fixed assets	-	-	-
(3) Deferred and uncollected premium	-	-	-
(4) Policyholder reserves	-	-	-
(5) Other (including items <5% of total ordinary tax liabilities)	(5,268)	(9,627)	4,359
(99) Subtotal	\$ (5,268)	\$ (9,627)	\$ 4,359
(b) Capital:			
(1) Investments	(81,579)	(88,916)	7,337
(2) Real estate	-	-	-
(3) Other (including items <5% of total capital tax liabilities)	-	-	-
(99) Subtotal	\$ (81,579)	\$ (88,916)	\$ 7,337
(c) Deferred tax liabilities (3a99 + 3b99)	\$ (86,847)	\$ (98,543)	\$ 11,696
4. Net deferred tax assets/liabilities (2i - 3c)	\$ 25,257,544	\$ 9,459,518	\$ 15,798,026

NOTES TO FINANCIAL STATEMENTS

D. The Company's income tax expense and change in deferred income taxes differs from the amount obtained by applying the federal statutory income tax rate of 35% for the year ended December 31 as follows:

	2012	2011
Tax expense computed using federal statutory rate	\$ 21,624,581	\$22,977,560
Change in nonadmitted assets	(9,652,336)	(208,238)
Tax exempt income and dividend received deduction net of proration	(532,633)	(529,690)
Prior year true-ups and adjustments	(424,412)	448,652
Other	436,970	68,234
Total	\$ 11,452,170	\$ 22,756,518
Federal income taxes incurred	\$ 21,869,638	\$20,678,626
Change in net deferred income taxes	(10,417,468)	2,077,892
Total statutory income taxes	\$ 11,452,170	\$ 22,756,518

E. Operating loss carryforwards:

- (1) At December 31, 2012, the Company had the following unused net operating loss carryforwards available to offset future taxable income. The losses will begin to expire as noted. The Company had no unused tax credit carryforwards available to offset future taxable income.

Unused NOL Carryforwards	Will Begin To Expire
\$ 1,494,474	2020

- (2) The following are income taxes incurred in the current and prior year that will be available for recoupment in the event of future losses:

	Ordinary	Capital	Total
2012	\$ 18,157,201	\$ 764,540	\$ 18,921,741
2011	23,094,344	220,749	23,315,093
2010	-	106,779	106,779

- (3) The Company has no protective tax deposits reported as admitted assets under Section 6603 of the Internal Revenue Code at December 31, 2012 and 2011.

F. The following companies will be included in the consolidated federal income tax return with their parent WellPoint, Inc. as of December 31, 2012 and either are current members of the consolidated tax sharing agreement or are in the process of being added to the consolidated tax sharing agreement. Allocation of federal income taxes with affiliates subject to the tax sharing agreement is based upon separate income tax return calculations with credit for net losses that can be used on a consolidated basis. Intercompany income tax balances are settled based on the Internal Revenue Service due dates.

1-800 CONTACTS PARENT CORP.	CL I, Inc.
1-800 CONTACTS PARENT HOLDINGS CORP.	CL II, Inc.
1-800 CONTACTS, Inc.	CL III, Inc.
American Imaging Management, Inc.	Claim Management Services, Inc.
AMERIGROUP Arizona, Inc.	Community Insurance Company
AMERIGROUP California, Inc.	CommunityConnect Health Plan of Pennsylvania, Inc.
AMERIGROUP Colorado, Inc.	Compcare Health Services Insurance Corporation
AMERIGROUP Community Care of Arizona, Inc.	Crossroads Acquisition Corp.
AMERIGROUP Community Care of Mississippi, Inc.	DeCare Analytics, LLC
AMERIGROUP Community Care of New Mexico, Inc.	DeCare Dental Health International, LLC
AMERIGROUP Connecticut, Inc.	DeCare Dental, LLC
AMERIGROUP Corporation	DeCare Dental Networks, LLC
AMERIGROUP Delaware, Inc.	Designated Agent Company, Inc.
AMERIGROUP Florida, Inc.	EHC Benefits Agency, Inc.
AMERIGROUP Hawaii, Inc.	Empire HealthChoice Assurance, Inc.
AMERIGROUP Health Solutions, Inc.	Empire HealthChoice HMO, Inc.
AMERIGROUP Indiana, Inc.	EVISION, Inc.
Amerigroup Insurance Company	Forty-Four Forty-Four Forest Park Redevelopment Corp
Amerigroup Kansas, Inc.	Golden West Health Plan, Inc.
AMERIGROUP Louisiana, Inc.	Government Health Services, LLC
AMERIGROUP Maine, Inc.	Health Core, Inc.
AMERIGROUP Maryland, Inc.	Health Management Corporation
AMERIGROUP Massachusetts, Inc.	Healthkeepers, Inc.
AMERIGROUP Michigan, Inc.	HealthLink HMO, Inc.
AMERIGROUP Nevada, Inc.	HealthLink, Inc.
AMERIGROUP New Jersey, Inc.	Healthy Alliance Life Insurance Company
AMERIGROUP New York, LLC	HMO Colorado, Inc.
AMERIGROUP Ohio, Inc.	HMO Missouri, Inc.
AMERIGROUP Pennsylvania, Inc.	Imaging Management Holdings, LLC
AMERIGROUP Puerto Rico, Inc.	Imaging Providers of Texas
Amerigroup Services, Inc.	LENS 1 st HOLDING COMPANY
AMERIGROUP Tennessee, Inc.	Matthew Thornton Health Plan, Inc.

NOTES TO FINANCIAL STATEMENTS

AMERIGROUP Texas, Inc.	National Capital Preferred Provider Organization, Inc.
AMERIGROUP Washington, Inc.	National Government Services, Inc.
AMERIGROUP Wisconsin, Inc.	OneNation Insurance Company
AMERIVANTAGE, Inc.	Park Square Holdings
AMGP Georgia Managed Care Company, Inc.	Park Square I, Inc.
AMGP Georgia, Inc.	Park Square II, Inc.
Anthem Blue Cross Life and Health Insurance Company	PHP Holdings, Inc.
Anthem Credentialing Services, Inc.	R & P Realty, Inc.
Anthem Financial, Inc.	Rayant Insurance Company of New York
Anthem Health Insurance Company of Nevada	Resolution Health, Inc.
Anthem Health Plans of Kentucky, Inc.	RightCHOICE Insurance Company
Anthem Health Plans of Maine, Inc.	RightCHOICE Managed Care, Inc.
Anthem Health Plans of New Hampshire, Inc.	Rocky Mountain Hospital and Medical Service, Inc.
Anthem Health Plans of Virginia, Inc.	SellCore, Inc.
Anthem Health Plans, Inc.	Southeast Services, Inc.
Anthem Holding Corp.	State Sponsored Business UM Services, Inc.
Anthem Insurance Companies, Inc.	The WellPoint Companies of California, Inc.
Anthem Life & Disability Insurance Company	The WellPoint Companies, Inc.
Anthem Southeast, Inc.	TrustSolutions, LLC
Anthem UM Services, Inc.	UNICARE Health Insurance Company of the Midwest, Inc.
Arcus Enterprises, Inc.	UNICARE Health Plan of Kansas, Inc.
Arcus Financial Services, Inc.	UNICARE Health Plan of West Virginia, Inc.
ARCUS HealthyLiving Services, Inc.	UNICARE Health Plans of Texas, Inc.
Associated Group, Inc.	UNICARE Health Plans of the Midwest, Inc.
Behavioral Health Network, Inc.	UNICARE Illinois Services, Inc.
Blue Cross and Blue Shield of Georgia, Inc.	UNICARE Life & Health Insurance Company
Blue Cross Blue Shield Healthcare Plan of Georgia, Inc.	UNICARE National Services, Inc.
Blue Cross Blue Shield of Wisconsin	UNICARE Specialty Services, Inc.
Blue Cross of California	United Government Services, LLC
Blue Cross of California Partnership Plan, Inc.	UtiliMed IPA, Inc.
CareMore Health Group, Inc.	WellPoint Behavioral Health, Inc.
CareMore Health Plan	WellPoint California Services, Inc.
CareMore Health Plan of Arizona, Inc.	WellPoint Dental Services, Inc.
CareMore Health Plan of Colorado, Inc.	WellPoint Holding Corporation
CareMore Health Plan of Nevada	WellPoint Information Technology Services, Inc.
CareMore Health Plan of Texas, Inc.	WellPoint Insurance Services, Inc.
CareMore Holdings, Inc.	WellPoint Merger Sub, Inc.
CareMore Medical Enterprises	WellPoint, Inc.
Cerulean Companies, Inc.	

10. Information Concerning Parent, Subsidiaries, Affiliates and Other Related Parties

A. Nature of the Relationship

The Company is a Maine domiciled stock insurance company and is a wholly-owned subsidiary of ATH Holding Company, LLC ("ATH Holding"), which is a wholly-owned subsidiary of WellPoint, Inc. ("WellPoint"), a publicly traded company.

B. Significant Transactions for Each Period

On October 18, 2012, the Board of Directors of the Company declared an extraordinary dividend of \$110,000,000 to ATH Holding. The Bureau approved the dividend on November 8, 2012, and the Company paid ATH Holding on November 16, 2012.

On November 22, 2011, the Company declared an ordinary dividend of \$48,800,000 which was paid to its parent, ATH Holding, on December 6, 2011.

C. Intercompany Management and Service Arrangements

There were no changes to the intercompany management and service arrangements and there were no additional arrangements entered into during 2012 and 2011. The amounts of transactions under such agreements are presented in Schedule Y, Part 2.

NOTES TO FINANCIAL STATEMENTS

D. Amounts Due from or to Related Parties

At December 31, 2012 and 2011, the Company reported \$34,903,642 and \$30,826,992 due from affiliates and \$40,348,820 and \$32,513,158 due to affiliates, respectively. The December 31, 2012 receivable and payable balances represent intercompany transactions that will be settled in accordance with the settlement terms of the intercompany agreements.

Following is a summary of transactions between the Company and various affiliates during the years:

The WellPoint Companies	2012	2011
Payroll and Employee Administrative Services	\$ 43,391,509	\$ 48,134,305
WellPoint, Inc.		
Federal Income Tax Payments	18,679,842	22,736,916
Corporate Services	13,604,016	14,460,345
Information Technology Services	9,260,956	10,077,708
Stock Options	(316,390)	(394,113)
Anthem Insurance Companies, Inc.		
Information Technology Services	462,520	1,042,610
Corporate/Shared Services	566,916	879,611
WellPoint Information Technology Services, Inc.		
Corporate Services	48,881	2,689
Information Technology Services	1,172,154	43,538
Blue Cross of California		
Information Technology Services	220,094	1,195,710
Corporate Services	279,899	507,274
Anthem Health Plans, Inc.		
Corporate Services	127,574	51,273
Medical Management	274,605	353,025
Claims Processing	804,184	686,762
Anthem Health Plans of New Hampshire, Inc.		
Corporate Services	71,771	75,591
Customer Service	450,076	447,544
Anthem Health Plans of Virginia, Inc.		
Corporate Services	107,399	117,936
Information Technology Services	634,358	643,611
Costs allocated from various affiliates not listed above	684,965	941,671
Total Schedule Y, Part 2, Column 8	\$ 90,525,329	\$ 102,004,006

E. Guarantees or Contingencies for Related Parties

The Company did not enter into guarantees or undertakings for the benefit of an affiliate which would result in a material contingent exposure of the Company's or any affiliated insurer's assets or liabilities.

F. Management and Service Agreements and Cost Sharing Arrangements

The Company has entered into administrative services agreements with its affiliated companies. Pursuant to these agreements, various administrative, management and support services are provided to or provided by the Company. The costs and expenses related to these administrative management and support services are allocated to or allocated by the Company in an amount equal to the direct and indirect costs and expenses incurred in providing these services. Direct costs include expenses such as salaries, employee benefits, communications, advertising, consulting services, maintenance, rent, utilities and supplies which are directly attributable to the Company's operations. Allocated costs include expenses such as salaries, benefit claims and enrollment processing, billing, accounting, underwriting, product development and budgeting, which support the Company's operations. These costs are allocated based on various utilization statistics.

The Company entered into the WellPoint, Inc. Cash Concentration Agreement, which the Department approved on June 17, 2011. Under this agreement, any of the Company's affiliates may be designated as a cash manager to handle the collection and/or payment of funds on behalf of the Company. Conversely, the Company may be designated as a cash manager to handle the collection and/or payment of funds on behalf of its affiliates. Cash services covered under this agreement include the collection of premiums and other revenue, the collection of benefit and administrative expense reimbursements, and the disbursement of policy benefits, payroll expense, general and administrative expense, and accounts payable.

The Company entered into a master services agreement effective January 1, 2013 with an affiliate. Bloom Health Corporation ("Bloom"), which the BOI approved. Under this agreement, the Company will partner with Bloom to offer a private exchange for health insurance benefits on both a fully-insured and self-insured basis, which Bloom will host and manage.

G. Nature of Control Relationships that Could Affect Operations or Financial Position

ATH Holding owns all outstanding shares of the Company. The Company's ultimate parent is WellPoint.

H. Amount Deducted for Investment in Upstream Company

The Company does not own shares of upstream intermediate entities or WellPoint.

I. Detail of Investments in Affiliates Greater than 10% of Admitted Assets

At December 31, 2012 and 2011, the Company did not have investments in affiliates that exceeded 10% of the Company's admitted assets.

NOTES TO FINANCIAL STATEMENTS

J. Write-down for Impairments of Investments in Subsidiary, Controlled or Affiliated Companies

The Company did not have any investments in a subsidiary, controlled or affiliated company during the years ended December 31, 2012 and December 31, 2011.

K. Investment in a Foreign Insurance Subsidiary

The Company does not have investments in foreign insurance subsidiaries.

L. Investments in Downstream Non-insurance Holding Companies.

The Company does not have investments in downstream non-insurance holding companies.

11. Debt**A. Debt, Including Capital Notes**

The Company had no debt, including capital notes, outstanding at December 31, 2012 and 2011.

B. FHLB (Federal Home Loan Bank) Agreements

The Company had no FHLB Agreements outstanding at December 31, 2012 and 2011.

12. Retirement Plans, Deferred Compensation, Postemployment Benefits and Compensated Absences and Other Postretirement Benefit Plans**A. Defined Benefit Plan**

Not applicable - See Note 12.D.

B. Defined Contribution Plan

Not applicable - See Note 12.D.

C. Multiemployer Plans

The Company does not participate in a multiemployer plan.

D. Consolidated/Holding Company Plans

The Company participates in the WellPoint Cash Balance Pension Plan (the "Plan"), a frozen non-contributory defined benefit pension plan sponsored by ATH Holding covering most employees of WellPoint and its subsidiaries. ATH Holding allocates a share of the total accumulated costs of this Plan to the Company based on the number of allocated employees. During 2012 and 2011, these costs totaled \$12,806 and \$337,090, respectively. The Company has no legal obligation for the benefits under the Plan.

The Company participates in a postretirement medical benefit plan, sponsored by ATH Holding, providing certain health, life, vision and dental benefits to eligible retirees. ATH Holding allocates a share of the total accumulated costs of this benefit plan to the Company based on the number of allocated employees. During 2012 and 2011, these costs totaled \$207,571 and \$348,588, respectively. The Company has no legal obligation for the benefits under this plan.

The Company participates in various deferred compensation plans sponsored by WellPoint which cover certain employees. The deferred amounts are payable according to the terms and subject to the conditions of said deferred compensation agreements. WellPoint allocates a share of the total accumulated costs of these plans to the Company based on the number of allocated employees participating in the plans. During 2012 and 2011, these costs totaled \$32,550 and \$36,916, respectively. The Company has no legal obligation for benefits under these plans.

The Company participates in the WellPoint 401(k) Retirement Savings Plan, sponsored by ATH Holding and covering substantially all employees. Voluntary employee contributions are matched by ATH Holding subject to certain limitations. ATH Holding allocates a share of the total accumulated costs of the plan to the Company based on the number of allocated employees. During 2012 and 2011, these costs totaled \$959,417 and \$987,666, respectively. The Company has no legal obligation for benefits under this plan.

E. Postemployment Benefits and Compensated Absences

Liabilities for earned not yet taken vacation and severance benefits have been accrued as of December 31, 2012 and 2011.

F. Impact of Medicare Modernization Act on Postretirement Benefits (INT 04-17)

Not applicable.

NOTES TO FINANCIAL STATEMENTS

13. Capital and Surplus, Shareholders' Dividend Restrictions and Quasi-Reorganizations

(1) Outstanding Shares

As of December 31, 2012, the Company has 2,500 shares of Class A, \$1,000 par value, common stock authorized. The number of shares issued and outstanding is 2,500.

(2) Preferred Stock

The Company has no preferred stock outstanding.

(3) Dividend Restrictions

Under Maine law, the Company is limited in the amount of dividends that can be declared without regulatory approval. The Superintendent of Insurance must approve any dividend that, together with all dividends declared during the preceding twelve months, exceeds the greater of the net gain from operations for the twelve-month period ending December 31 of the preceding year or 10% of the Company's surplus to policyholders as of December 31 of the preceding year as long as unassigned surplus is positive. Also, any dividend paid from other than unassigned funds will need the approval of the Superintendent of Insurance.

(4) Dividends Paid

See Note 10.B.

(5) Maximum Ordinary Dividend During 2013

Within the limitations of (3) above, the Company may pay \$39,914,880 in dividends during 2013 without prior approval.

(6) Unassigned Surplus Restrictions

Unassigned surplus funds are not restricted at December 31, 2012.

(7) Mutual Surplus Advances

Not applicable.

(8) Company Stock Held for Special Purpose

There are no shares of stock held for special purposes at December 31, 2012.

(9) Changes in Special Surplus Funds

There are no special surplus funds at December 31, 2012.

(10) Changes in Unassigned Funds

The portion of unassigned funds (surplus) represented by cumulative unrealized gains and losses was \$107,749 at December 31, 2012.

(11) Surplus Notes

The Company has not issued any surplus notes or debentures or similar obligations.

(12) Restatement Due to Prior Quasi-Reorganizations

The Company had no restatements due to prior quasi-reorganizations.

(13) Quasi-Reorganizations over Prior 10 Years

The Company has not been involved in any quasi-reorganizations during the past 10 years.

14. Contingencies

A. Contingent Commitments

The Company has no contingent commitments at December 31, 2012.

B. Assessments

The Company is subject to guaranty fund and other assessments by the state in which it writes business. Guaranty fund assessments are accrued at the time of insolvencies. Other assessments are accrued at either the time of the assessment or at the time the losses are incurred.

The State of Maine has not issued a guaranty fund assessment, and the Company has not recorded a liability for an assessment as of December 31, 2012.

NOTES TO FINANCIAL STATEMENTS

C. Gain Contingencies

The Company has no gain contingencies at December 31, 2012.

D. Claims-Related Extra Contractual Obligation and Bad Faith Losses Stemming from Lawsuits

Not applicable.

E. All Other Contingencies

The Company is currently a defendant in a putative class action called American Dental Association (“ADA”) v. WellPoint Health Networks, Inc. (now WellPoint, Inc.) relating to out-of-network (“OON”) reimbursement of dental claims. The lawsuit was filed in March 2002 by the ADA and three dentists who are suing on behalf of themselves and are seeking to sue on behalf of a nationwide class of all non-participating dental providers who were paid less than their actual charges for dental services provided to WellPoint dental members. The complaint alleges that WellPoint Health Networks Inc. and WellPoint affiliates and subsidiaries (collectively, WellPoint) improperly set usual, customary and reasonable (“UCR”) rate payments for OON dental services based on HIAA/Ingenix data. The plaintiffs claim, among other things, that the HIAA/Ingenix databases fail to account for differences in geography, provider specialty, outlier (high) charges, and complexity of procedures. The complaint further alleges that WellPoint was aware that this data was inappropriate to set UCR rates. The dentists sue as assignees of their patients’ rights to benefits under WellPoint’s dental plans and assert that WellPoint breached its contractual obligations in violation of ERISA by routinely paying OON dentists less than their actual charges and representing that its OON payments were properly determined usual, customary and reasonable rates. The suit is currently pending in the United States District Court for the Southern District of Florida. A motion for summary judgment has been filed and is pending. The District Court granted the Company’s motion for summary judgment and dismissed the case. The plaintiffs filed a notice of appeal with the United States Court of Appeals for the Eleventh Circuit. On October 23, 2012, the Court affirmed the entry of summary judgment in the Company’s favor. This matter is now closed.

The Company is currently a defendant in eleven putative class actions relating to OON reimbursement that were consolidated into a single multi-district lawsuit called In re WellPoint, Inc. Out-of-Network “UCR” Rates Litigation that is pending in the United States District Court for the Central District of California. The lawsuits were filed in 2009. The plaintiffs include current and former members on behalf of a putative class of members (who received OON services for which the defendants paid less than billed charges), the American Medical Association, four state medical associations, OON physicians, chiropractors, clinical psychologists, podiatrists, psychotherapists, the American Podiatric Association, California Chiropractic Association and the California Psychological Association on behalf of a putative class of all physicians and all non-physician health care providers, and an OON surgical center. In the consolidated complaint, the plaintiffs allege that the defendants violated the Racketeer Influenced and Corrupt Organizations Act, (“RICO”), the Sherman Antitrust Act, ERISA, federal regulations, and state law by relying on databases provided by Ingenix in determining OON reimbursement. A consolidated amended complaint was filed to add allegations in the lawsuit that OON reimbursement was calculated improperly by methodologies other than the Ingenix databases. The Company filed a motion to dismiss the amended consolidated complaint. The motion was granted in part and denied in part. The court gave the plaintiffs permission to replead many of those claims that were dismissed. The plaintiffs then filed a third amended consolidated complaint repleading some of the claims that had been dismissed without prejudice and adding additional statements in an attempt to bolster other claims. The Company filed a motion to dismiss the third amended consolidated complaint, which was granted in part and denied in part. The plaintiffs filed a fourth amended consolidated complaint on November 5, 2012. The Company filed a motion to dismiss most of the claims asserted in the fourth amended consolidated complaint. The plaintiffs have not yet filed a response. The OON surgical center voluntarily dismissed their claims. Fact discovery is complete. At the end of 2009, the Company filed a motion in the United States District Court for the Southern District of Florida, or the Florida Court, to enjoin the claims brought by the medical doctors and doctors of osteopathy and certain medical associations based on prior litigation releases, which was granted in 2011, and that court ordered the plaintiffs to dismiss their claims that are barred by the release. The plaintiffs then filed a petition for declaratory judgment asking the court to find that these claims are not barred by the releases from the prior litigation. The Company filed a motion to dismiss the declaratory judgment action, which was granted. The plaintiffs appealed the dismissal of the declaratory judgment to the United States Court of Appeals for the Eleventh Circuit, but the dismissal was upheld. The enjoined physicians have not yet dismissed their claims. The Florida Court found the enjoined physicians in contempt and sanctioned them on July 25, 2012. The barred physicians are paying the sanctions. The Company intends to vigorously defend these suits; however, their ultimate outcome cannot be presently determined.

The Company is involved in other pending and threatened litigation of the character incidental to the business transacted, arising out of its operations and is from time to time involved as a party in various governmental and administrative proceedings. These investigations, audits and reviews include routine and special investigations by state insurance departments, state attorneys general, the U.S. Attorney General and Federal Agencies. Such investigations could result in the imposition of civil or criminal fines, penalties and other sanctions. The Company believes that any liability that may result from any one of these actions is unlikely to have a material adverse effect on the Company’s financial position or results of operations.

NOTES TO FINANCIAL STATEMENTS

15. Leases

A. Lessee Operating Leases

- (1) The Company leases office space, computer hardware and software products, and miscellaneous equipment under various noncancelable operating leases. Related lease expense for 2012 and 2011 was \$2,277,723 and \$27,320, respectively.
- (2) At December 31, 2012, future lease payments for operating leases with initial or remaining noncancelable terms of one year or more consisted of the following:

	Year Ending December 31	Operating Leases
1.	2013	\$ 4,848
2.	2014	\$ -
3.	2015	\$ -
4.	2016	\$ -
5.	2017	\$ -
6.	Thereafter Total	\$ -

- (3) The Company has not entered into any material sales-leaseback transactions.

B. Lessor Leases

- (1) The Company has not entered into any operating leases.
- (2) The Company has not entered into any leveraged leases.

16. Information About Financial Instruments With Off-Balance Sheet Risk and Financial Instruments With Concentrations of Credit Risk

The Company has no significant financial instruments with off-balance sheet risk.

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of investment securities. All investment securities are managed by professional investment managers within policies authorized by the Board of Directors. Such policies limit the amounts that may be invested in any one issuer and prescribe certain investee company criteria. As of December 31, 2012, there were no significant concentrations.

17. Sale, Transfer and Servicing of Financial Assets and Extinguishments of Liabilities

A. Transfers of Receivables Reported as Sales

Not applicable at December 31, 2012 and 2011.

B. Transfer and Servicing of Financial Assets

Not applicable at December 31, 2012 and 2011.

C. Wash Sales

- (1) In the course of the Company's asset management, securities may be sold and reacquired within 30 days of the sale date to enhance the yield on the investments.
- (2) At December 31, 2012 and 2011, there were no wash sales involving securities with a NAIC designation of 3 or below or unrated.

18. Gain or Loss to the Reporting Entity from Uninsured Plans and the Uninsured Portion of Partially Insured Plans

A. Administrative Services Only Plans

The gain from operations from Administrative Services Only ("ASO") uninsured plans and the uninsured portion of partially insured ASO plans was as follows during 2012:

	ASO Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASO
a. Net reimbursement for administrative expenses (including administrative fees) in excess of actual expenses	\$ 317,350	\$ -	\$ 317,350
b. Total net other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
c. Net gain or (loss) from operations	\$ 317,350	\$ -	\$ 317,350
d. Total claim payment volume	\$ 42,268,979	\$ -	\$ 42,268,979

NOTES TO FINANCIAL STATEMENTS

B. Administrative Services Contract Plans

The gain from operations from Administrative Services Contract (“ASC”) uninsured plans and the uninsured portion of partially insured ASC plans was as follows during 2012:

	ASC Uninsured Plans	Uninsured Portion of Partially Insured Plans	Total ASC
a. Gross reimbursement for medical cost incurred	\$ 409,536,503	\$ -	\$ 409,536,503
b. Gross administrative fees accrued	\$ 24,651,758	\$ -	\$ 24,651,758
c. Other income or expenses (including interest paid to or received from plans)	\$ -	\$ -	\$ -
d. Gross expenses incurred (claims and administrative)	\$ 431,113,517	\$ -	\$ 431,113,517
e. Total net gain or (loss) from operations	\$ 3,074,744	\$ -	\$ 3,074,744

C. Medicare or Similarly Structured Cost-Based Reimbursement Contract

Not applicable at December 31, 2012 and 2011.

19. Direct Premium Written/Produced by Managing General Agents/Third Party Administrators

No premiums were written by managing general agents or third party administrators during the years ended December 31, 2012 and 2011.

20. Fair Value Measurements

A.

(1) At December 31, 2012, the Company measured the following assets at fair value:

	(Level 1)	(Level 2)	(Level 3)	Total
a. Assets at fair value				
Common Stock				
Industrial and Miscellaneous	\$ 165,328	\$ -	\$ -	\$ 165,328
Total Common Stock	\$ 165,328	\$ -	\$ -	\$ 165,328
Total assets at fair value	\$ 165,328	\$ -	\$ -	\$ 165,328

(2) There were no transfers into or out of Level 3, nor were there any gains (losses) included in net income or surplus. The Company’s policy is to recognize transfers between levels, if any, as of the beginning of the reporting period.

(3) Fair values of fixed maturity securities are based on quoted market prices, where available. These fair values are obtained primarily from third party pricing services, which generally use Level 1 or Level 2 inputs, for the determination of fair value to facilitate fair value measurements and disclosures. United States Government securities represent Level 1 securities, while Level 2 securities primarily include corporate securities, securities from states, municipalities and political subdivisions and residential mortgage-backed securities. For securities not actively traded, which would be classified as Level 3, the third party pricing services may use quoted market prices of comparable instruments or discounted cash flow analyses, incorporating inputs that are currently observable in the markets for similar securities. Inputs that are often used in the valuation methodologies include, but are not limited to, broker quotes, benchmark yields, credit spreads, default rates and prepayment speeds.

Fair values of equity securities are generally designated as Level 1 and are based on quoted market prices. For certain equity securities, quoted market prices for the identical security are not always available and the fair value is estimated by reference to similar securities for which quoted prices are available. These securities are designated Level 2.

There have been no significant changes in the valuation techniques during the current period.

B. Not applicable.

C. Not applicable.

D. Not applicable.

21. Other Items

A. Extraordinary Items

Not applicable at December 31, 2012 and 2011.

B. Troubled Debt Restructuring: Debtors

Not applicable at December 31, 2012 and 2011.

NOTES TO FINANCIAL STATEMENTS

C. Other Disclosures

Land is recorded at cost and other real estate is recorded at cost less accumulated depreciation. Depreciation is computed primarily using the straight-line method over the estimated useful lives of the assets. Real estate was not adjusted to market value at the date of purchase.

Bonds with an amortized cost of \$854,912 and \$699,158 were on deposit with a regulatory authority at December 31, 2012 and 2011, respectively.

D. Uncollectible Receivable

At December 31, 2012 and 2011, the Company reported admitted assets of \$56,750,845 and \$81,039,527, respectively, in premium receivables due from policyholders and agents and receivables due from uninsured plans. Based upon Company experience, any uncollectible premiums receivables and uncollectible receivables due from uninsured plans are not expected to exceed \$2,681,834 that was non-admitted at December 31, 2012; therefore, no additional provision for uncollectible amounts has been recorded. The potential for any additional loss is not believed to be material to the Company's financial condition.

E. Business Interruption Insurance Recoveries

The Company has reported no recoveries for business interruption for the years ended December 31, 2012 and 2011.

F. State Transferable and Non-transferable Tax Credits

The Company did not have state transferable or non-transferable tax credits at December 31, 2012 and 2011.

G. Subprime Mortgage-Related Risk Exposure

- (1) The Company consults with its external investment managers to assess its subprime mortgage-related risk exposure. The general categories of information considered in determining exposure are collateral and the structure of the security. Other categories considered in determining the exposure include loan purpose, loan documentation, occupancy, geographical location, loan size and loan type. Subprime mortgage borrowers typically have lower credit scores, lower loan balances and higher loan-to-values than other conforming loans.
- (2) At December 31, 2012, the Company did not carry investments in subprime mortgage loans in its portfolio.
- (3) At December 31, 2012, the Company's investment portfolio did not contain investments with subprime mortgage-related risk exposure.
- (4) The Company did not underwrite Mortgage Guaranty or Financial Guaranty insurance coverage at December 31, 2012.

H. Retained Assets

The Company does not have retained assets at December 31, 2012 and 2011.

22. Events Subsequent

Subsequent events have been considered through February 27, 2013 for the statutory statement issued on February 28, 2013. There were no events occurring subsequent to December 31, 2012 requiring disclosure.

23. Reinsurance

A. Ceded Reinsurance Report

Section 1 – General Interrogatories

- (1) Are any of the reinsurers that are listed in Schedule S as non-affiliated owned in excess of 10% or controlled, either directly or indirectly, by the Company or by any representative, officer, trustee, or director of the Company?

Yes () No (X)
- (2) Have any policies issued by the Company been reinsured with a company chartered in a country other than the United States (excluding U. S. Branches of such companies) that is owned in excess of 10% or controlled, directly or indirectly, by an insured, a beneficiary, a creditor or any other person not primarily engaged in the insurance business?

Yes () No (X)

NOTES TO FINANCIAL STATEMENTS

Section 2 – Ceded Reinsurance Report – Part A

- (1) Does the Company have any reinsurance agreements in effect under which the reinsurer may unilaterally cancel any reinsurance for reasons other than for nonpayment of premium or other similar credits?

Yes () No (X)

- (2) Does the reporting entity have any reinsurance agreements in effect such that the amount of losses paid or accrued through the statement date may result in a payment to the reinsurer of amounts that, in aggregate and allowing for offset of mutual credits from other reinsurance agreements with the same reinsurer, exceed the total direct premium collected under the reinsured policies?

Yes () No (X)

Section 3 – Ceded Reinsurance Report – Part B

- (1) What is the estimated amount of the aggregate reduction in surplus, (for agreements other than those under which the reinsurer may unilaterally cancel for reasons other than for nonpayment of premium or other similar credits that are reflected in Section 2 above) of termination of ALL reinsurance agreements, by either party, as of the date of this statement? Where necessary, the Company may consider the current or anticipated experience of the business reinsured in making this estimate.

Not applicable.

- (2) Have any new agreements been executed or existing agreements amended, since January 1 of the year of this statement, to include policies or contracts that were in force or which had existing reserves established by the Company as of the effective date of the agreement?

Yes () No (X)

B. Uncollectible Reinsurance

The Company has no uncollectible reinsurance at December 31, 2012 and 2011.

C. Commutation of Ceded Reinsurance

The Company has not commuted ceded reinsurance during 2012 and 2011.

24. Retrospectively Rated Contracts and Contracts Subject to Redetermination

- A. The Company sells group accident and health policies for which the premiums vary based on loss experience. Future premium adjustments for these retrospective policies are estimated and accrued. The Company estimates accrued retrospective premium adjustments through review of each retrospectively rated contract by comparing the actual policy year-to-date loss development with that anticipated in the policy contracts.
- B. The Company records accrued retrospective premium as an adjustment to earned premium.
- C. The amount of net premiums written by the Company in 2012 and 2011 that were subject to retrospective rating features was \$977,872,677 and \$974,604,335, respectively, which represented 94.7% and 94.4%, respectively, of the total net premiums written. No other net premiums written by the Company were subject to retrospective rating or contract redetermination features.
- D. The Company has no medical loss ratio rebates required pursuant to the Public Health Service Act at December 31, 2012 and 2011.

25. Change in Incurred Claims and Claim Adjustment Expenses

The estimated cost of claims and claims adjustment expenses attributable to insured events of the prior year decreased by \$11,952,516 during 2012. This is approximately 11.83% of unpaid claims and unpaid claims adjustment expenses of \$101,077,607 as of December 31, 2011. The redundancy reflects the decreases in estimated claims and claims adjustment expenses as a result of claims payments during the year, and as additional information is received regarding claims incurred prior to 2012. Recent claim development trends are also taken into account in evaluating the overall adequacy of unpaid claims and unpaid claims adjustment expenses.

26. Intercompany Pooling Arrangements

Not applicable at December 31, 2012 and 2011.

27. Structured Settlements

Not applicable at December 31, 2012 and 2011.

NOTES TO FINANCIAL STATEMENTS

28. Health Care Receivables

A. Pharmaceutical Rebate Receivables

Quarter	Estimated Pharmacy Rebates as Reported on Financial Statements	Pharmacy Rebates as Billed or Otherwise Confirmed	Actual Rebates Received Within 90 Days of Billing	Actual Rebates Received Within 91 to 180 Days of Billing	Actual Rebates Received More Than 180 Days After Billing
12/31/2012	\$ 1,732,518	\$ 3,085,570	\$ -	\$ -	\$ -
9/30/2012	1,314,183	3,134,630	-	-	-
6/30/2012	1,597,698	3,487,376	220,643	4,438,703	-
3/31/2012	1,216,122	3,887,238	207,749	4,548,854	224,116
12/31/2011	1,558,019	4,369,463	121,232	5,450,950	327,134
9/30/2011	1,852,614	4,236,693	134,154	5,679,975	227,748
6/30/2011	2,219,102	3,555,015	141,307	5,594,041	130,153
3/31/2011	2,084,287	3,716,604	-	5,309,060	747,244
12/31/2010	320,443	5,294,399	112,608	5,248,095	299,681
9/30/2010	50,057	5,106,024	120,802	4,635,885	720,287
6/30/2010	852,480	4,427,748	109,198	4,464,305	938,297
3/31/2010	1,441,298	3,980,292	111,004	4,136,214	1,212,388

B. Risk Sharing Receivables

Not applicable at December 31, 2012 and 2011.

29. Participating Policies

Not applicable at December 31, 2012 and 2011.

30. Premium Deficiency Reserves

The Company did not record premium deficiency reserves at December 31, 2012 and 2011.

31. Anticipated Salvage and Subrogation

The Company took into account estimated anticipated subrogation and other recoveries in its determination of the liability for unpaid claims and reduced such liability by \$1,177,000 and \$1,064,000 at December 31, 2012 and 2011, respectively.

GENERAL INTERROGATORIES

PART 1 - COMMON INTERROGATORIES
GENERAL

1.1

Is the reporting entity a member of an Insurance Holding Company System consisting of two or more affiliated persons, one or more of which is an insurer?

Yes ☒ No ☐

1.2

If yes, did the reporting entity register and file with its domiciliary State Insurance Commissioner, Director or Superintendent, or with such regulatory official of the state of domicile of the principal insurer in the Holding Company System, a registration statement providing disclosure substantially similar to the standards adopted by the National Association of Insurance Commissioners (NAIC) in its Model Insurance Holding Company System Regulatory Act and model regulations pertaining thereto, or is the reporting entity subject to standards and disclosure requirements substantially similar to those required by such Act and regulations?

Yes ☒ No ☐ N/A ☐

1.3

State Regulating?

Maine

2.1

Has any change been made during the year of this statement in the charter, by-laws, articles of incorporation, or deed of settlement of the reporting entity?

Yes ☐ No ☒

2.2

If yes, date of change:

3.1

State as of what date the latest financial examination of the reporting entity was made or is being made.

12/31/2010

3.2

State the as of date that the latest financial examination report became available from either the state of domicile or the reporting entity. This date should be the date of the examined balance sheet and not the date the report was completed or released.

12/31/2010

3.3

State as of what date the latest financial examination report became available to other states or the public from either the state of domicile or the reporting entity. This is the release date or completion date of the examination report and not the date of the examination (balance sheet date).

06/28/2012

3.4

By what department or departments?
State of Maine Bureau of Insurance

3.5

Have all financial statement adjustments within the latest financial examination report been accounted for in a subsequent financial statement filed with Departments?

Yes ☐ No ☐ N/A ☒

3.6

Have all of the recommendations within the latest financial examination report been complied with?

Yes ☐ No ☒ N/A ☐

4.1

During the period covered by this statement, did any agent, broker, sales representative, non-affiliated sales/service organization or any combination thereof under common control (other than salaried employees of the reporting entity), receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.11 sales of new business?

Yes ☐ No ☒

4.12 renewals?

Yes ☐ No ☒

4.2

During the period covered by this statement, did any sales/service organization owned in whole or in part by the reporting entity or an affiliate, receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

4.21 sales of new business?

Yes ☐ No ☒

4.22 renewals?

Yes ☐ No ☒

5.1

Has the reporting entity been a party to a merger or consolidation during the period covered by this statement?

Yes ☐ No ☒

5.2

If yes, provide the name of the entity, NAIC Company Code, and state of domicile (use two letter state abbreviation) for any entity that has ceased to exist as a result of the merger or consolidation.

1	2	3
Name of Entity	NAIC Company Code	State of Domicile

6.1

Has the reporting entity had any Certificates of Authority, licenses or registrations (including corporate registration, if applicable) suspended or revoked by any governmental entity during the reporting period?

Yes ☐ No ☒

6.2

If yes, give full information:

7.1

Does any foreign (non-United States) person or entity directly or indirectly control 10% or more of the reporting entity?

Yes ☐ No ☒

7.2

If yes,

7.21 State the percentage of foreign control;

%

7.22 State the nationality(s) of the foreign person(s) or entity(s) or if the entity is a mutual or reciprocal, the nationality of its manager or attorney-in-fact; and identify the type of entity(s) (e.g., individual, corporation or government, manager or attorney in fact).

1	2
Nationality	Type of Entity

GENERAL INTERROGATORIES

8.1

Is the company a subsidiary of a bank holding company regulated by the Federal Reserve Board?

Yes [] No [X]

8.2

If response to 8.1 is yes, please identify the name of the bank holding company.

8.3

Is the company affiliated with one or more banks, thrifts or securities firms?

Yes [] No [X]

8.4

If response to 8.3 is yes, please provide below the names and location (city and state of the main office) of any affiliates regulated by a federal regulatory services agency [i.e. the Federal Reserve Board (FRB), the Office of the Comptroller of the Currency (OCC), the Federal Deposit Insurance Corporation (FDIC) and the Securities Exchange Commission (SEC)] and identify the affiliate's primary federal regulator.

1	2	3	4	5	6
Affiliate Name	Location (City, State)	FRB	OCC	FDIC	SEC

9.

What is the name and address of the independent certified public accountant or accounting firm retained to conduct the annual audit?

Ernst & Young LLP. 233 S. Wacker Drive Chicago, IL 60606

10.1

Has the insurer been granted any exemptions to the prohibited non-audit services provided by the certified independent public accountant requirements as allowed in Section 7H of the Annual Financial Reporting Model Regulation (Model Audit Rule), or substantially similar state law or regulation?

Yes [] No [X]

10.2

If the response to 10.1 is yes, provide information related to this exemption:

10.3

Has the insurer been granted any exemptions related to the other requirements of the Annual Financial Reporting Model Regulation as allowed for in Section 17A of the Model Regulation, or substantially similar state law or regulation?

Yes [] No [X]

10.4

If the response to 10.3 is yes, provide information related to this exemption:

10.5

Has the reporting entity established an Audit Committee in compliance with the domiciliary state insurance laws?

Yes [X] No [] N/A []

10.6

If the response to 10.5 is no or n/a, please explain

11.

What is the name, address and affiliation (officer/employee of the reporting entity or actuary/consultant associated with an actuarial consulting firm) of the individual providing the statement of actuarial opinion/certification?

Tim Deno, FSA, MAAA, VP & Valuation Actuary (officer/employee); 120 Monument Circle, Indianapolis, IN 46204

12.1

Does the reporting entity own any securities of a real estate holding company or otherwise hold real estate indirectly?

Yes [] No [X]

12.11

Name of real estate holding company

12.12

Number of parcels involved

12.13

Total book/adjusted carrying value

\$

12.2

If, yes provide explanation:

13.

FOR UNITED STATES BRANCHES OF ALIEN REPORTING ENTITIES ONLY:

13.1

What changes have been made during the year in the United States manager or the United States trustees of the reporting entity?

13.2

Does this statement contain all business transacted for the reporting entity through its United States Branch on risks wherever located?

Yes [] No []

13.3

Have there been any changes made to any of the trust indentures during the year?

Yes [] No []

13.4

If answer to (13.3) is yes, has the domiciliary or entry state approved the changes?

Yes [] No [] N/A []

14.1

Are the senior officers (principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions) of the reporting entity subject to a code of ethics, which includes the following standards?

Yes [X] No []

(a)

Honest and ethical conduct, including the ethical handling of actual or apparent conflicts of interest between personal and professional relationships;

(b)

Full, fair, accurate, timely and understandable disclosure in the periodic reports required to be filed by the reporting entity;

(c)

Compliance with applicable governmental laws, rules and regulations;

(d)

The prompt internal reporting of violations to an appropriate person or persons identified in the code; and

(e)

Accountability for adherence to the code.

14.11

If the response to 14.1 is No, please explain:

14.2

Has the code of ethics for senior managers been amended?

Yes [] No [X]

14.21

If the response to 14.2 is yes, provide information related to amendment(s).

14.3

Have any provisions of the code of ethics been waived for any of the specified officers?

Yes [] No [X]

14.31

If the response to 14.3 is yes, provide the nature of any waiver(s).

GENERAL INTERROGATORIES

- | 1
American Bankers Association (ABA) Routing Number | 2
Issuing or Confirming Bank Name | 3
Circumstances That Can Trigger the Letter of Credit | 4
Amount |
|--|--------------------------------------|--|-------------|
| | | | |

16.	Is the purchase or sale of all investments of the reporting entity passed upon either by the board of directors or a subordinate committee thereof?	Yes [X]	No []
17.	Does the reporting entity keep a complete permanent record of the proceedings of its board of directors and all subordinate committees thereof?	Yes [X]	No []
18.	Has the reporting entity an established procedure for disclosure to its board of directors or trustees of any material interest or affiliation on the part of any of its officers, directors, trustees or responsible employees that is in conflict with the official duties of such person?	Yes [X]	No []

19.	Has this statement been prepared using a basis of accounting other than Statutory Accounting Principles (e.g., Generally Accepted Accounting Principles)?		Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
20.1	Total amount loaned during the year (inclusive of Separate Accounts, exclusive of policy loans):	20.11 To directors or other officers.....	\$	
		20.12 To stockholders not officers.....	\$	
		20.13 Trustees, supreme or grand (Fraternal Only)	\$	
20.2	Total amount of loans outstanding at the end of year (inclusive of Separate Accounts, exclusive of policy loans):	20.21 To directors or other officers.....	\$	
		20.22 To stockholders not officers.....	\$	
		20.23 Trustees, supreme or grand (Fraternal Only)	\$	
21.1	Were any assets reported in this statement subject to a contractual obligation to transfer to another party without the liability for such obligation being reported in the statement?		Yes [<input type="checkbox"/>]	No [<input checked="" type="checkbox"/>]
21.2	If yes, state the amount thereof at December 31 of the current year:	21.21 Rented from others.....	\$	
		21.22 Borrowed from others.....	\$	
		21.23 Leased from others	\$	
		21.24 Other	\$	
22.1	Does this statement include payments for assessments as described in the Annual Statement Instructions other than guaranty fund or guaranty association assessments?		Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
22.2	If answer is yes:	22.21 Amount paid as losses or risk adjustment \$		
		22.22 Amount paid as expenses	\$	
		22.23 Other amounts paid	\$	5,810,7
23.1	Does the reporting entity report any amounts due from parent, subsidiaries or affiliates on Page 2 of this statement?		Yes [<input checked="" type="checkbox"/>]	No [<input type="checkbox"/>]
23.2	If yes, indicate any amounts receivable from parent included in the Page 2 amount:		\$	

24.01	Were all the stocks, bonds and other securities owned December 31 of current year, over which the reporting entity has exclusive control, in the actual possession of the reporting entity on said date? (other than securities lending programs addressed in 24.03).....	Yes []	No []	X []
24.02	If no, give full and complete information relating thereto The Company has securities on deposit with various State Department of Insurance Offices.			
24.03	For security lending programs, provide a description of the program including value for collateral and amount of loaned securities, and whether collateral is carried on or off-balance sheet. (an alternative is to reference Note 17 where this information is also provided)			
24.04	Does the Company's security lending program meet the requirements for a conforming program as outlined in the Risk-Based Capital Instructions?	Yes []	No []	N/A []
24.05	If answer to 24.04 is yes, report amount of collateral for conforming programs.	\$		
24.06	If answer to 24.04 is no, report amount of collateral for other programs.	\$		
24.07	Does your securities lending program require 102% (domestic securities) and 105% (foreign securities) from the counterparty at the outset of the contract?	Yes []	No []	N/A []
24.08	Does the reporting entity non-admit when the collateral received from the counterparty falls below 100%?	Yes []	No []	N/A []
24.09	Does the reporting entity or the reporting entity 's securities lending agent utilize the Master Securities lending Agreement (MSLA) to conduct securities lending?	Yes []	No []	N/A []

GENERAL INTERROGATORIES

24.10 For the reporting entity's security lending program state the amount of the following as December 31 of the current year:

24.101	Total fair value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	0
24.102	Total book adjusted/carrying value of reinvested collateral assets reported on Schedule DL, Parts 1 and 2.	\$	0
24.103	Total payable for securities lending reported on the liability page.	\$	0

25.1 Were any of the stocks, bonds or other assets of the reporting entity owned at December 31 of the current year not exclusively under the control of the reporting entity, or has the reporting entity sold or transferred any assets subject to a put option contract that is currently in force? (Exclude securities subject to Interrogatory 21.1 and 24.03). Yes ☒ No ☐

25.2	If yes, state the amount thereof at December 31 of the current year:	25.21 Subject to repurchase agreements	\$	
		25.22 Subject to reverse repurchase agreements	\$	
		25.23 Subject to dollar repurchase agreements	\$	
		25.24 Subject to reverse dollar repurchase agreements	\$	
		25.25 Pledged as collateral	\$	
		25.26 Placed under option agreements	\$	
		25.27 Letter stock or other securities restricted as to sale	\$	
		25.28 On deposit with state or other regulatory body	\$	854,912
		25.29 Other	\$	

25.3 For category (25.27) provide the following:

1 Nature of Restriction	2 Description	3 Amount

26.1 Does the reporting entity have any hedging transactions reported on Schedule DB? Yes ☐ No ☒

26.2 If yes, has a comprehensive description of the hedging program been made available to the domiciliary state? Yes ☐ No ☐ N/A ☐
If no, attach a description with this statement.

27.1 Were any preferred stocks or bonds owned as of December 31 of the current year mandatorily convertible into equity, or, at the option of the issuer, convertible into equity? Yes ☐ No ☒

27.2 If yes, state the amount thereof at December 31 of the current year. \$

28. Excluding items in Schedule E - Part 3 - Special Deposits, real estate, mortgage loans and investments held physically in the reporting entity's offices, vaults or safety deposit boxes, were all stocks, bonds and other securities, owned throughout the current year held pursuant to a custodial agreement with a qualified bank or trust company in accordance with Section 1, III - General Examination Considerations, F. Outsourcing of Critical Functions, Custodial or Safekeeping Agreements of the NAIC Financial Condition Examiners Handbook? Yes ☒ No ☐

28.01 For agreements that comply with the requirements of the NAIC Financial Condition Examiners Handbook, complete the following:

1 Name of Custodian(s)	2 Custodian's Address
The Bank of New York Mellon Corporation	New York, NY

28.02 For all agreements that do not comply with the requirements of the NAIC Financial Condition Examiners Handbook, provide the name, location and a complete explanation:

1 Name(s)	2 Location(s)	3 Complete Explanation(s)

28.03 Have there been any changes, including name changes, in the custodian(s) identified in 28.01 during the current year? Yes ☐ No ☒

28.04 If yes, give full and complete information relating thereto:

1 Old Custodian	2 New Custodian	3 Date of Change	4 Reason

28.05 Identify all investment advisors, brokers/dealers or individuals acting on behalf of brokers/dealers that have access to the investment accounts, handle securities and have authority to make investments on behalf of the reporting entity:

1 Central Registration Depository Number(s)	2 Name	3 Address
113878	McDonnell Investment Management, LLC	Oak Brook, IL
106482	Dimensional Fund Advisors	Santa Monica, CA

GENERAL INTERROGATORIES

- 29.1 Does the reporting entity have any diversified mutual funds reported in Schedule D, Part 2 (diversified according to the Securities and Exchange Commission (SEC) in the Investment Company Act of 1940 [Section 5(b)(1)])?
- Yes [X] No []
- 29.2 If yes, complete the following schedule:

1	2	3
CUSIP #	Name of Mutual Fund	Book/Adjusted Carrying Value
921931-10-1	Vanguard Balanced Index Fund	165,328
29.2999 - Total		165,328

- 29.3 For each mutual fund listed in the table above, complete the following schedule:

1	2	3	4
Name of Mutual Fund (from above table)	Name of Significant Holding of the Mutual Fund	Amount of Mutual Fund's Book/Adjusted Carrying Value Attributable to the Holding	Date of Valuation
Vanguard Balanced Index Fund	Apple Inc	3,799	09/30/2012 ...
Vanguard Balanced Index Fund	Exxon Mobil Corp	2,604	09/30/2012 ...
Vanguard Balanced Index Fund	General Electric Co	1,465	09/30/2012 ...
Vanguard Balanced Index Fund	Chevron Corp	1,400	09/30/2012 ...
Vanguard Balanced Index Fund	International Business Machine	1,384	09/30/2012 ...

30. Provide the following information for all short-term and long-term bonds and all preferred stocks. Do not substitute amortized value or statement value for fair value.

	1	2	3
	Statement (Admitted) Value	Fair Value	Excess of Statement over Fair Value (-), or Fair Value over Statement (+)
30.1 Bonds	214,089,123	225,916,512	11,827,389
30.2 Preferred stocks	0		0
30.3 Totals	214,089,123	225,916,512	11,827,389

- 30.4 Describe the sources or methods utilized in determining the fair values:
Fair values were obtained from third-party pricing sources. If a security was not priced by a third-party pricing source, internal analytical systems or broker quotes were utilized.
- 31.1 Was the rate used to calculate fair value determined by a broker or custodian for any of the securities in Schedule D? Yes [] No [X]
- 31.2 If the answer to 31.1 is yes, does the reporting entity have a copy of the broker's or custodian's pricing policy (hard copy or electronic copy) for all brokers or custodians used as a pricing source? Yes [] No []
- 31.3 If the answer to 31.2 is no, describe the reporting entity's process for determining a reliable pricing source for purposes of disclosure of fair value for Schedule D:
.....
- 32.1 Have all the filing requirements of the Purposes and Procedures Manual of the NAIC Securities Valuation Office been followed? Yes [X] No []
- 32.2 If no, list exceptions:
.....

GENERAL INTERROGATORIES

OTHER

33.1 Amount of payments to trade associations, service organizations and statistical or rating bureaus, if any?\$193,637

33.2 List the name of the organization and the amount paid if any such payment represented 25% or more of the total payments to trade associations, service organizations and statistical or rating bureaus during the period covered by this statement.

1 Name	2 Amount Paid
Blue Cross Blue Shield Association	193,637
.....

34.1 Amount of payments for legal expenses, if any?\$366,976

34.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payments for legal expenses during the period covered by this statement.

1 Name	2 Amount Paid
.....
.....

35.1 Amount of payments for expenditures in connection with matters before legislative bodies, officers or departments of government, if any?\$47,545

35.2 List the name of the firm and the amount paid if any such payment represented 25% or more of the total payment expenditures in connection with matters before legislative bodies, officers or departments of government during the period covered by this statement.

1 Name	2 Amount Paid
Mitchell Tardy Government Affairs	21,800
.....

Lobbying expenses disclosed reflect amounts reported in the Lobbyist Disclosure Reports filed with the Secretary of State. The amount may include expenses that may have been paid by an affiliate on behalf of the Company and, as a result, may not be included in the Underwriting Gain reported on page 4 of the 2012 Annual Statement.

GENERAL INTERROGATORIES

PART 2 - HEALTH INTERROGATORIES

1.1

Does the reporting entity have any direct Medicare Supplement Insurance in force?

Yes [X] No []

1.2

If yes, indicate premium earned on U.S. business only.

\$ 45,436,907

1.3

What portion of Item (1.2) is not reported on the Medicare Supplement Insurance Experience Exhibit?

\$ 0

1.31

Reason for excluding

1.4

Indicate amount of earned premium attributable to Canadian and/or Other Alien not included in Item (1.2) above

\$ 0

1.5

Indicate total incurred claims on all Medicare Supplement Insurance.

\$ 35,291,063

1.6

Individual policies:

Most current three years:

1.61

Total premium earned

\$ 4,388,040

1.62

Total incurred claims

\$ 3,224,327

1.63

Number of covered lives

2,916

All years prior to most current three years:

1.64

Total premium earned

\$ 41,036,363

1.65

Total incurred claims

\$ 32,063,151

1.66

Number of covered lives

17,588

1.7

Group policies:

Most current three years:

1.71

Total premium earned

\$ 0

1.72

Total incurred claims

\$ 0

1.73

Number of covered lives

0

All years prior to most current three years:

1.74

Total premium earned

\$ 12,504

1.75

Total incurred claims

\$ 3,585

1.76

Number of covered lives

5

2.

Health Test:

1

Current Year

2

Prior Year

2.1

Premium Numerator

1,029,076,060

1,032,775,835

2.2

Premium Denominator

1,029,076,060

1,032,775,835

2.3

Premium Ratio (2.1/2.2)

1.000

1.000

2.4

Reserve Numerator

179,131,902

175,030,618

2.5

Reserve Denominator

179,131,902

175,030,618

2.6

Reserve Ratio (2.4/2.5)

1.000

1.000

3.1

Has the reporting entity received any endowment or gift from contracting hospitals, physicians, dentists, or others that is agreed will be returned when, as and if the earnings of the reporting entity permits?

Yes [] No [X]

3.2

If yes, give particulars:

4.1

Have copies of all agreements stating the period and nature of hospitals', physicians', and dentists' care offered to subscribers and dependents been filed with the appropriate regulatory agency?

Yes [X] No []

4.2

If not previously filed, furnish herewith a copy(ies) of such agreement(s). Do these agreements include additional benefits offered?

Yes [] No []

5.1

Does the reporting entity have stop-loss reinsurance?

Yes [] No [X]

5.2

If no, explain:
WellPoint, Inc. has financial reserves available to cover catastrophic losses. Also, see response to question 6 below.

5.3

Maximum retained risk (see instructions)

5.31

Comprehensive Medical

\$

5.32

Medical Only

\$

5.33

Medicare Supplement

\$

5.34

Dental & Vision

\$

5.35

Other Limited Benefit Plan

\$

5.36

Other

\$

6.

Describe arrangement which the reporting entity may have to protect subscribers and their dependents against the risk of insolvency including hold harmless provisions, conversion privileges with other carriers, agreements with providers to continue rendering services, and any other agreements:
Effective July 1, 2000, the Company entered into an Insolvency Agreement with Anthem Insurance Companies, Inc. ("AICI"), whereby AICI reinsures certain liabilities in the event of the Company's insolvency, in accordance with Condition 11 of the Decision and Order of the Superintendent of Insurance dated May 25, 2000. The majority of provider and professional contracts include Hold Harmless provisions.

7.1

Does the reporting entity set up its claim liability for provider services on a service date basis?

Yes [X] No []

7.2

If no, give details

8.

Provide the following information regarding participating providers:

8.1

Number of providers at start of reporting year

3,942

8.2

Number of providers at end of reporting year

4,345

9.1

Does the reporting entity have business subject to premium rate guarantees?

Yes [X] No []

9.2

If yes, direct premium earned:

9.21

Business with rate guarantees between 15-36 months

\$ 73,559

9.22

Business with rate guarantees over 36 months

\$

27

GENERAL INTERROGATORIES

10.1

Does the reporting entity have Incentive Pool, Withhold or Bonus Arrangements in its provider contracts?

Yes [☐] No [☒]

10.2

If yes:

10.21

Maximum amount payable bonuses.....

\$

10.22

Amount actually paid for year bonuses.....

\$

10.23

Maximum amount payable withholds.....

\$

10.24

Amount actually paid for year withholds.....

\$

11.1

Is the reporting entitiy organized as:

11.12

A Medical Group/Staff Model,

Yes [☐] No [☒]

11.13

An Individual Practice Association (IPA), or, .

Yes [☐] No [☒]

11.14

A Mixed Model (combination of above)?

Yes [☐] No [☒]

11.2

Is the reporting entity subject to Minimum Net Worth Requirements?

Yes [☒] No [☐]

11.3

If yes, show the name of the state requiring such net worth.

_____ Maine

11.4

If yes, show the amount required.

\$ _____ 67,232,585

11.5

Is this amount included as part of a contingency reserve in stockholder's equity?

Yes [☐] No [☒]

11.6

If the amount is calculated, show the calculation

250% of Health Risk-Based Capital Authorized Control Level (250%x \$26,893,034)

12.

List service areas in which reporting entity is licensed to operate:

1
Name of Service Area
State of Maine
.....

13.1

Do you act as a custodian for health savings accounts?

Yes [☐] No [☒]

13.2

If yes, please provide the amount of custodial funds held as of the reporting date.

\$

13.3

Do you act as an administrator for health savings accounts?

Yes [☐] No [☒]

13.4

If yes, please provide the balance of funds administered as of the reporting date.

\$

FIVE-YEAR HISTORICAL DATA

	1 2012	2 2011	3 2010	4 2009	5 2008
Balance Sheet (Pages 2 and 3)					
1. Total admitted assets (Page 2, Line 28)	414,872,761	480,875,394	451,642,066	412,836,913	451,133,112
2. Total liabilities (Page 3, Line 24)	272,083,384	256,232,599	222,460,629	203,330,608	223,160,550
3. Statutory surplus	67,232,585	73,521,080	75,150,328	76,191,643	71,714,203
4. Total capital and surplus (Page 3, Line 33)	142,789,377	224,642,795	229,181,437	209,506,305	227,972,562
Income Statement (Page 4)					
5. Total revenues (Line 8)	1,019,237,796	1,025,436,671	1,009,997,509	993,235,097	997,281,173
6. Total medical and hospital expenses (Line 18)	885,383,621	893,500,729	880,812,635	886,406,965	863,377,013
7. Claims adjustment expenses (Line 20)	28,890,134	22,304,283	27,222,671	24,406,203	28,384,143
8. Total administrative expenses (Line 21)	55,953,745	54,560,469	49,084,125	53,242,202	40,359,726
9. Net underwriting gain (loss) (Line 24)	49,010,296	55,071,190	59,225,774	22,832,031	65,180,417
10. Net investment gain (loss) (Line 27)	11,482,732	10,270,350	10,239,521	10,548,200	9,531,051
11. Total other income (Lines 28 plus 29)	526,949	87,884	83,122	74,118	0
12. Net income or (loss) (Line 32)	39,914,880	44,971,547	48,802,237	20,781,625	47,726,667
Cash Flow (Page 6)					
13. Net cash from operations (Line 11)	61,741,133	67,958,446	57,949,036	18,381,742	93,950,602
Risk-Based Capital Analysis					
14. Total adjusted capital	142,789,377	224,642,795	229,181,437	209,506,305	227,972,562
15. Authorized control level risk-based capital	26,893,034	29,408,432	30,060,131	30,476,657	28,685,681
Enrollment (Exhibit 1)					
16. Total members at end of period (Column 5, Line 7)	333,445	351,780	303,870	262,064	271,472
17. Total members months (Column 6, Line 7)	4,161,407	4,178,537	3,601,041	3,178,726	3,363,574
Operating Percentage (Page 4) (Item divided by Page 4, sum of Lines 2, 3 and 5) x 100.0					
18. Premiums earned plus risk revenue (Line 2 plus Lines 3 and 5)	100.0	100.0	100.0	100.0	100.0
19. Total hospital and medical plus other non-health (Lines 18 plus Line 19)	86.9	87.1	87.2	89.2	86.6
20. Cost containment expenses	1.5	1.3	1.4	1.1	1.2
21. Other claims adjustment expenses	1.3	0.9	1.3	1.4	1.7
22. Total underwriting deductions (Line 23)	95.2	94.6	94.1	97.7	93.5
23. Total underwriting gain (loss) (Line 24)	4.8	5.4	5.9	2.3	6.5
Unpaid Claims Analysis (U&I Exhibit, Part 2B)					
24. Total claims incurred for prior years (Line 13, Col. 5)	87,236,027	66,790,914	70,061,900	71,899,286	79,202,003
25. Estimated liability of unpaid claims-[prior year (Line 13, Col. 6)]	98,911,529	71,033,179	80,416,599	80,913,786	88,208,434
Investments In Parent, Subsidiaries and Affiliates					
26. Affiliated bonds (Sch. D Summary, Line 12, Col. 1)		0	0	0	0
27. Affiliated preferred stocks (Sch. D Summary, Line 18, Col. 1)					0
28. Affiliated common stocks (Sch. D Summary, Line 24, Col. 1)		0	0	0	7,828,551
29. Affiliated short-term investments (subtotal included in Schedule DA Verification, Col. 5, Line 10)	0	0	0	0	0
30. Affiliated mortgage loans on real estate					0
31. All other affiliated					0
32. Total of above Lines 26 to 31	0	0	0	0	7,828,551
33. Total investment in parent included in Lines 26 to 31 above.					

NOTE: If a party to a merger, have the two most recent years of this exhibit been restated due to a merger in compliance with the disclosure requirements of SSAP No. 3, Accounting Changes and Correction of Errors? Yes [] No []

If no, please explain:

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Anthem Health Plans of Maine, Inc.

SCHEDULE T PREMIUMS AND OTHER CONSIDERATIONS

Allocated by States and Territories										
States, etc.	1	Direct Business Only								
		2	3	4	5	6	7	8	9	
	Active Status	Accident & Health Premiums	Medicare Title XVIII	Medicaid Title XIX	Federal Employees Health Benefits Program Premiums	Life & Annuity Premiums & Other Considerations	Property/ Casualty Premiums	Total Columns 2 Through 7	Deposit-Type Contracts	
1. Alabama	AL	N						0		
2. Alaska	AK	N						0		
3. Arizona	AZ	N						0		
4. Arkansas	AR	N						0		
5. California	CA	N						0		
6. Colorado	CO	N						0		
7. Connecticut	CT	N						0		
8. Delaware	DE	N						0		
9. District of Columbia	DC	N						0		
10. Florida	FL	N						0		
11. Georgia	GA	N						0		
12. Hawaii	HI	N						0		
13. Idaho	ID	N						0		
14. Illinois	IL	N						0		
15. Indiana	IN	N						0		
16. Iowa	IA	N						0		
17. Kansas	KS	N						0		
18. Kentucky	KY	N						0		
19. Louisiana	LA	N						0		
20. Maine	ME	L	868,083,371		165,046,812			1,033,130,183		
21. Maryland	MD	N						0		
22. Massachusetts	MA	N						0		
23. Michigan	MI	N						0		
24. Minnesota	MN	N						0		
25. Mississippi	MS	N						0		
26. Missouri	MO	N						0		
27. Montana	MT	N						0		
28. Nebraska	NE	N						0		
29. Nevada	NV	N						0		
30. New Hampshire	NH	N						0		
31. New Jersey	NJ	N						0		
32. New Mexico	NM	N						0		
33. New York	NY	N						0		
34. North Carolina	NC	N						0		
35. North Dakota	ND	N						0		
36. Ohio	OH	N						0		
37. Oklahoma	OK	N						0		
38. Oregon	OR	N						0		
39. Pennsylvania	PA	N						0		
40. Rhode Island	RI	N						0		
41. South Carolina	SC	N						0		
42. South Dakota	SD	N						0		
43. Tennessee	TN	N						0		
44. Texas	TX	N						0		
45. Utah	UT	N						0		
46. Vermont	VT	N						0		
47. Virginia	VA	N						0		
48. Washington	WA	N						0		
49. West Virginia	WV	N						0		
50. Wisconsin	WI	N						0		
51. Wyoming	WY	N						0		
52. American Samoa	AS	N						0		
53. Guam	GU	N						0		
54. Puerto Rico	PR	N						0		
55. U.S. Virgin Islands	VI	N						0		
56. Northern Mariana Islands	MP	N						0		
57. Canada	CAN	N						0		
58. Aggregate other alien	OT	XXX	0	0	0	0	0	0	0	0
59. Subtotal	XXX	868,083,371	0	0	165,046,812	0	0	1,033,130,183	0	0
60. Reporting entity contributions for Employee Benefit Plans	XXX							0		
61. Total (Direct Business)	(a) 1	868,083,371	0	0	165,046,812	0	0	1,033,130,183	0	0
DETAILS OF WRITE-INS										
58001.	XXX									
58002.	XXX									
58003.	XXX									
58998. Summary of remaining write-ins for Line 58 from overflow page	XXX	0	0	0	0	0	0	0	0	0
58999. Totals (Lines 58001 through 58003 plus 58998)(Line 58 above)	XXX	0	0	0	0	0	0	0	0	0

(L) Licensed or Chartered - Licensed Insurance Carrier or Domiciled RRG; (R) Registered - Non-domiciled RRGs; (Q) Qualified - Qualified or Accredited Reinsurer; (E) Eligible - Reporting Entities eligible or approved to write Surplus Lines in the state; (N) None of the above - Not allowed to write business in the state.

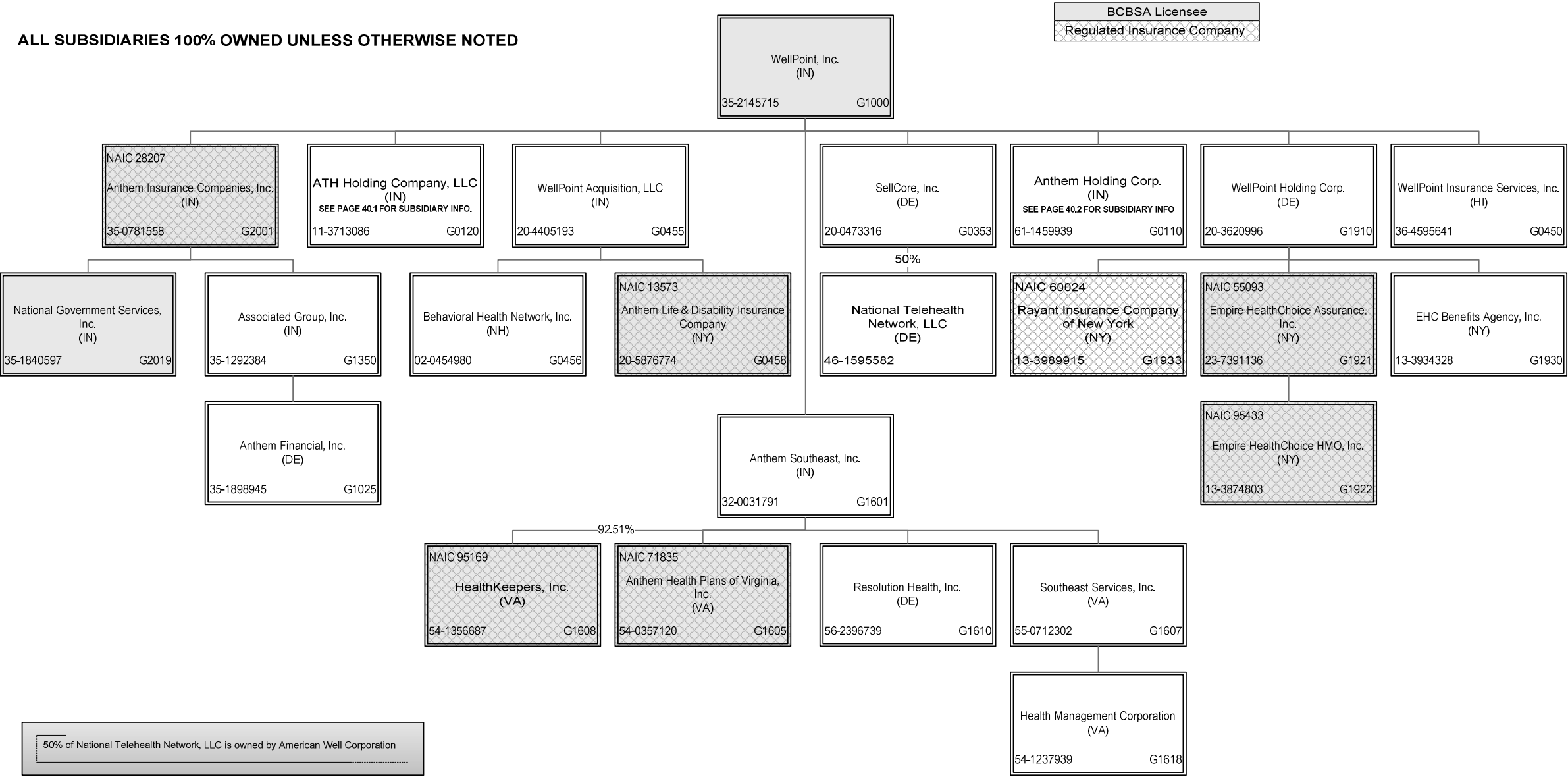
Explanation of basis of allocation by states, premiums by state, etc.

Written premium allocated based on residence of insured.

(a) Insert the number of L responses except for Canada and Other Alien.

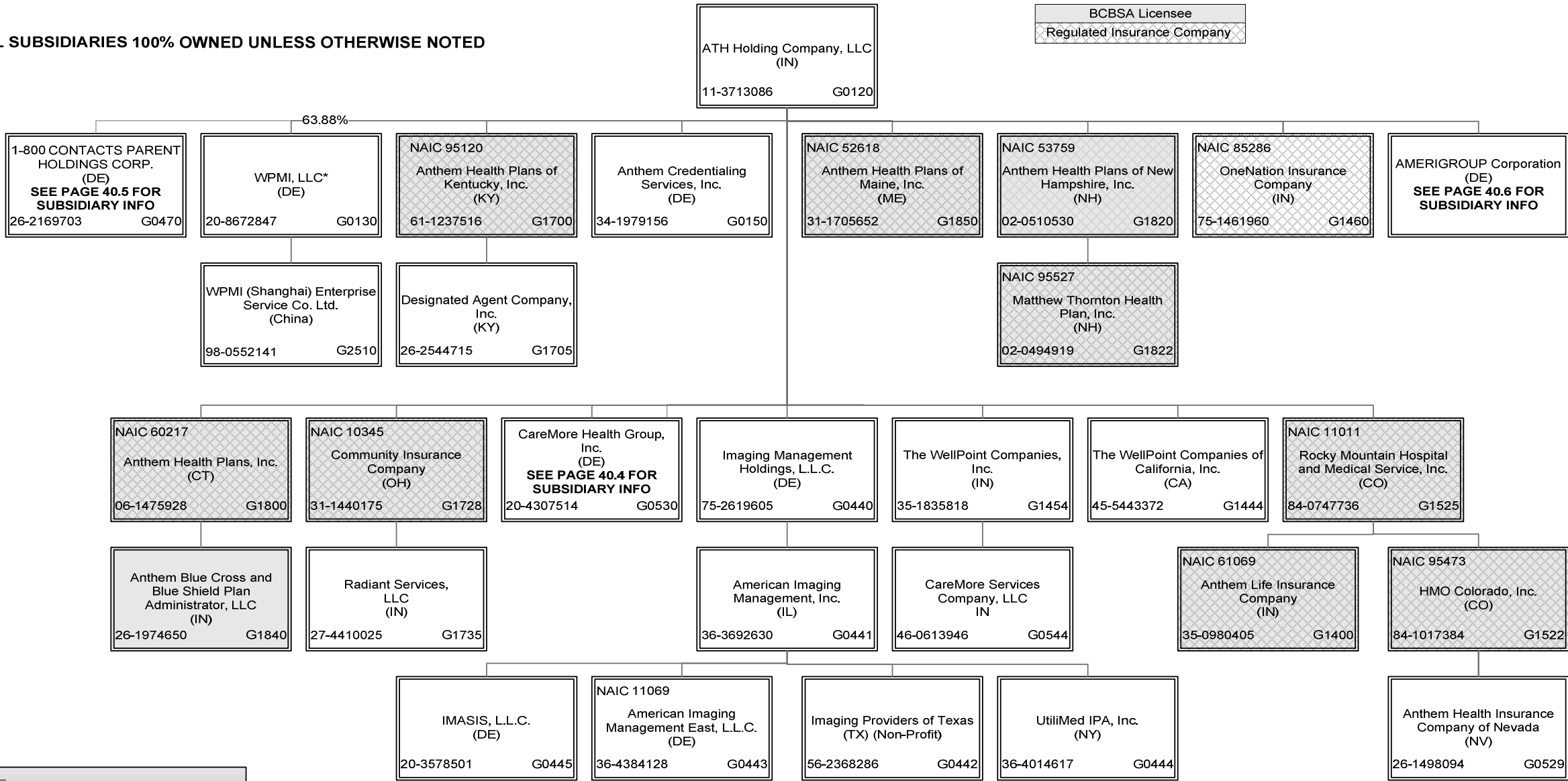
SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

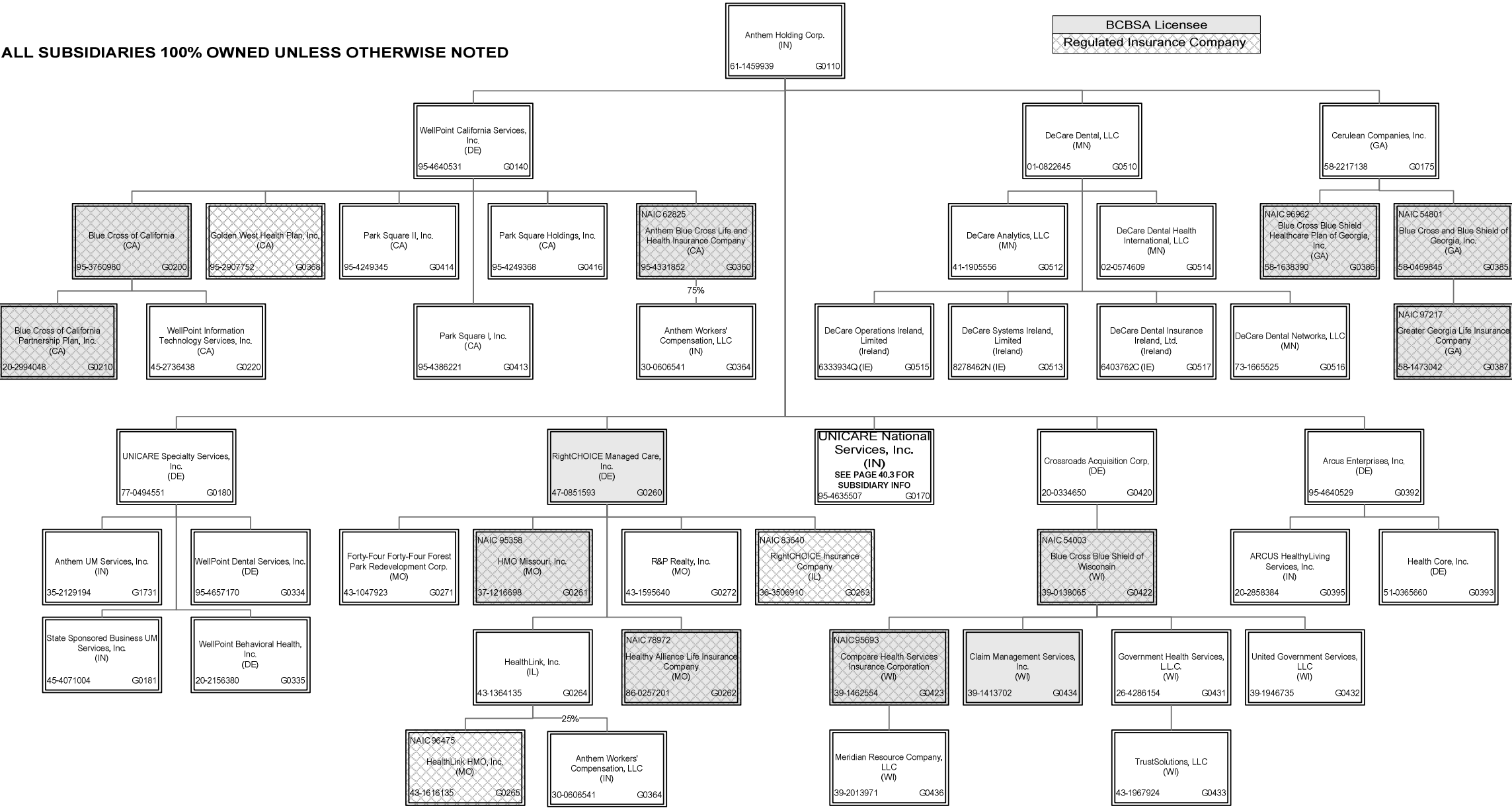
ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



*36.12 of WPMI, LLC is owned by unaffiliated investors

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

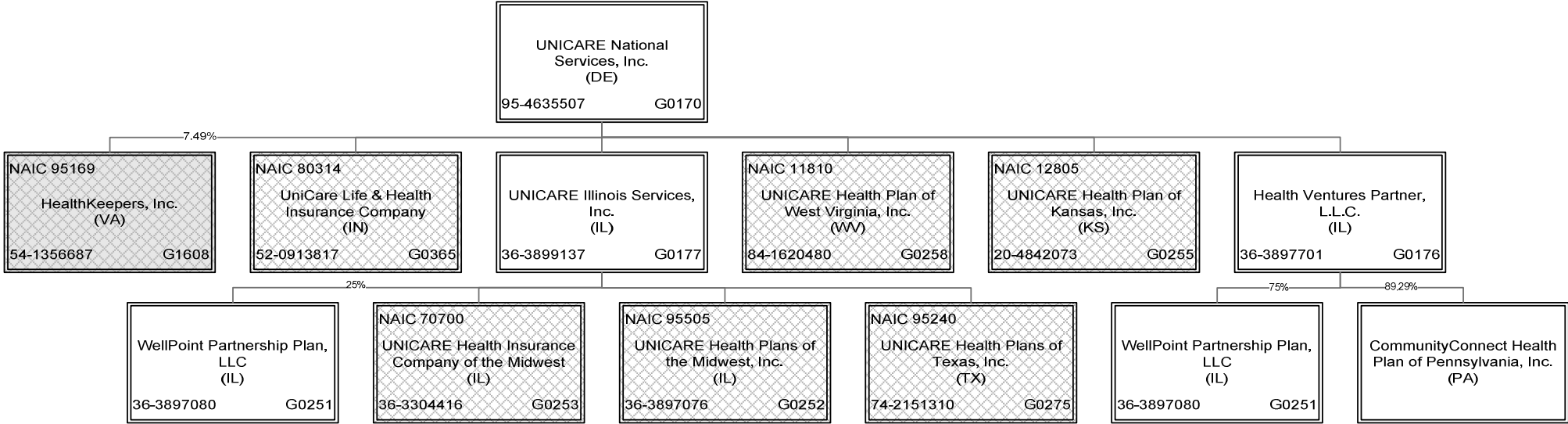
ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company

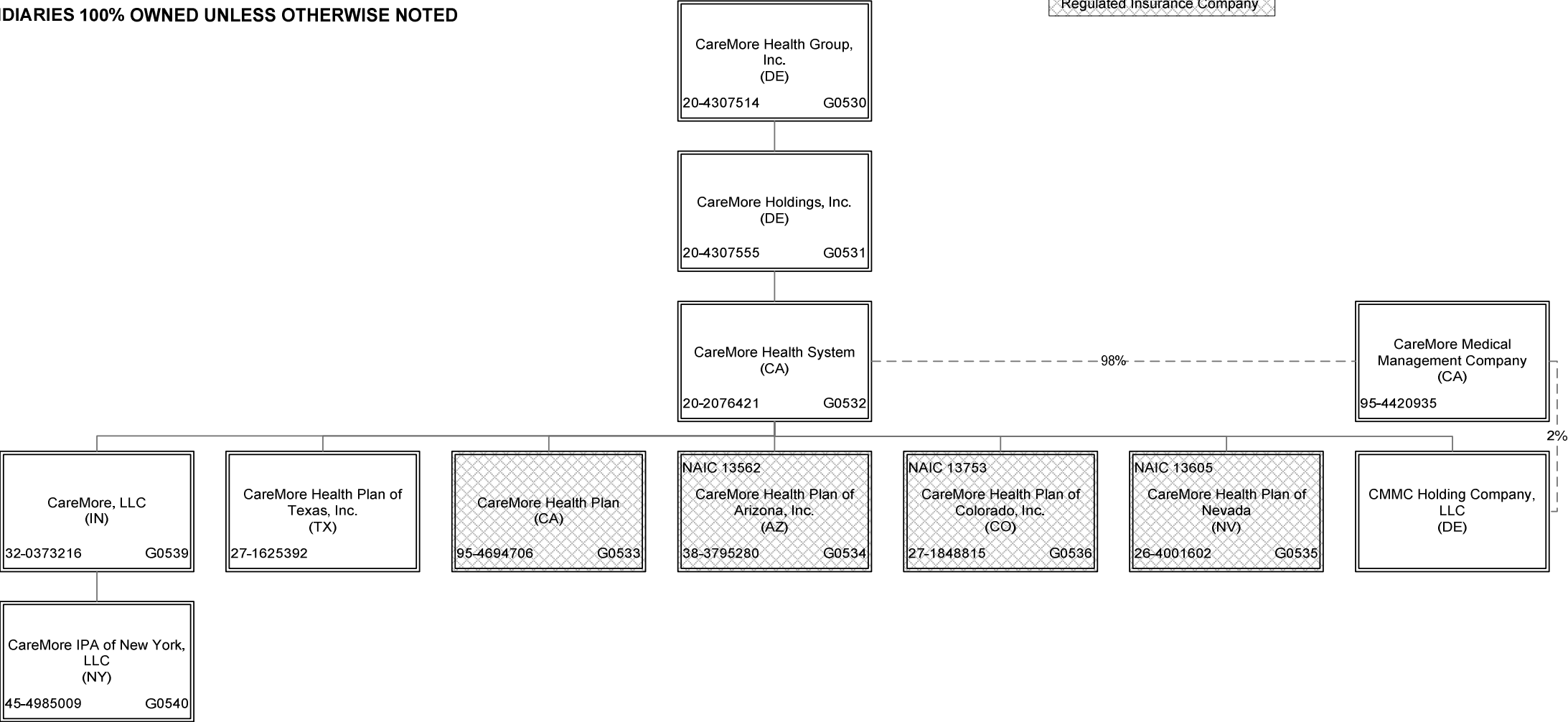


*10.71% of CommunityConnect Health Plan of Pennsylvania, Inc. is owned by unaffiliated investors

SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

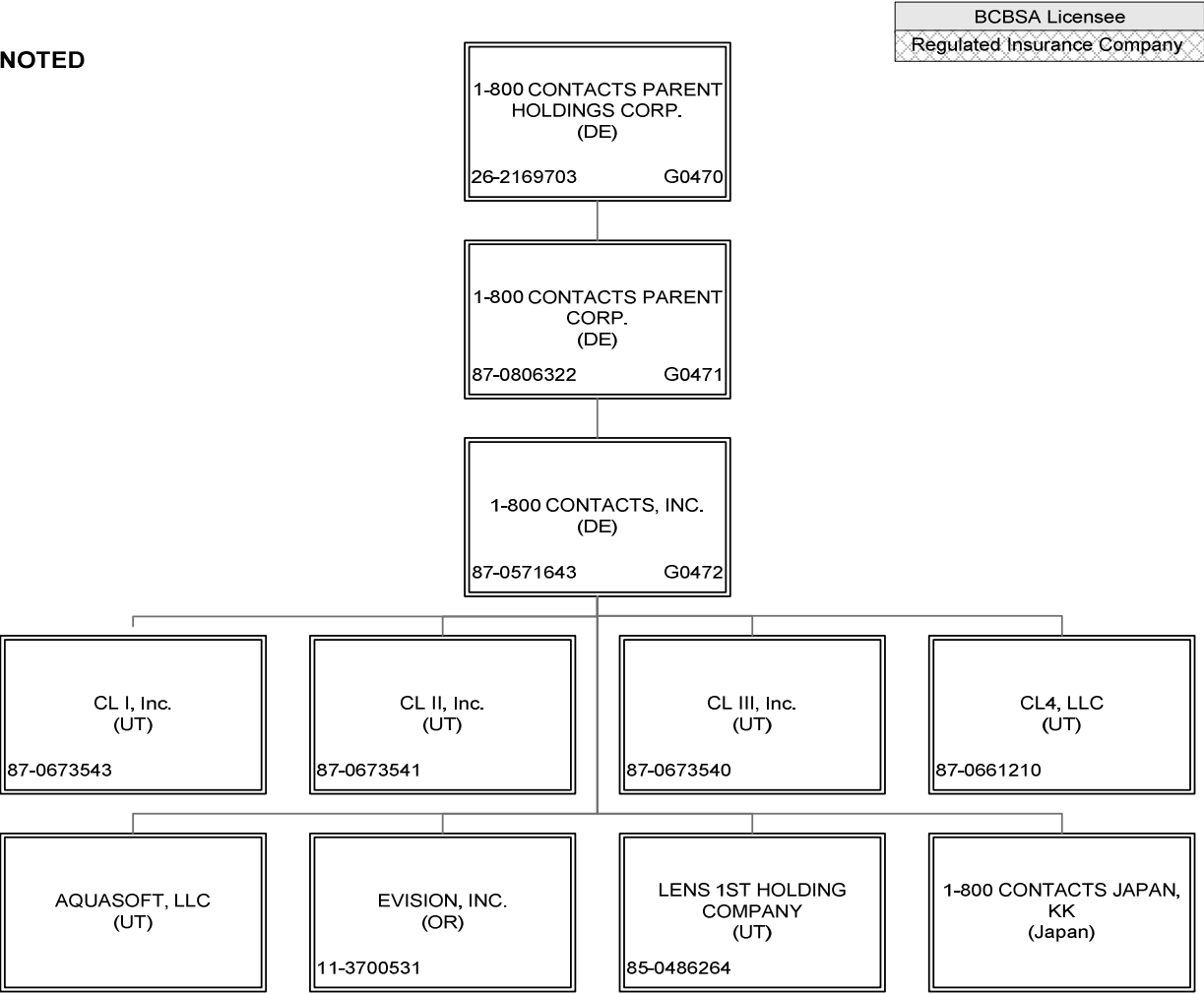
ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

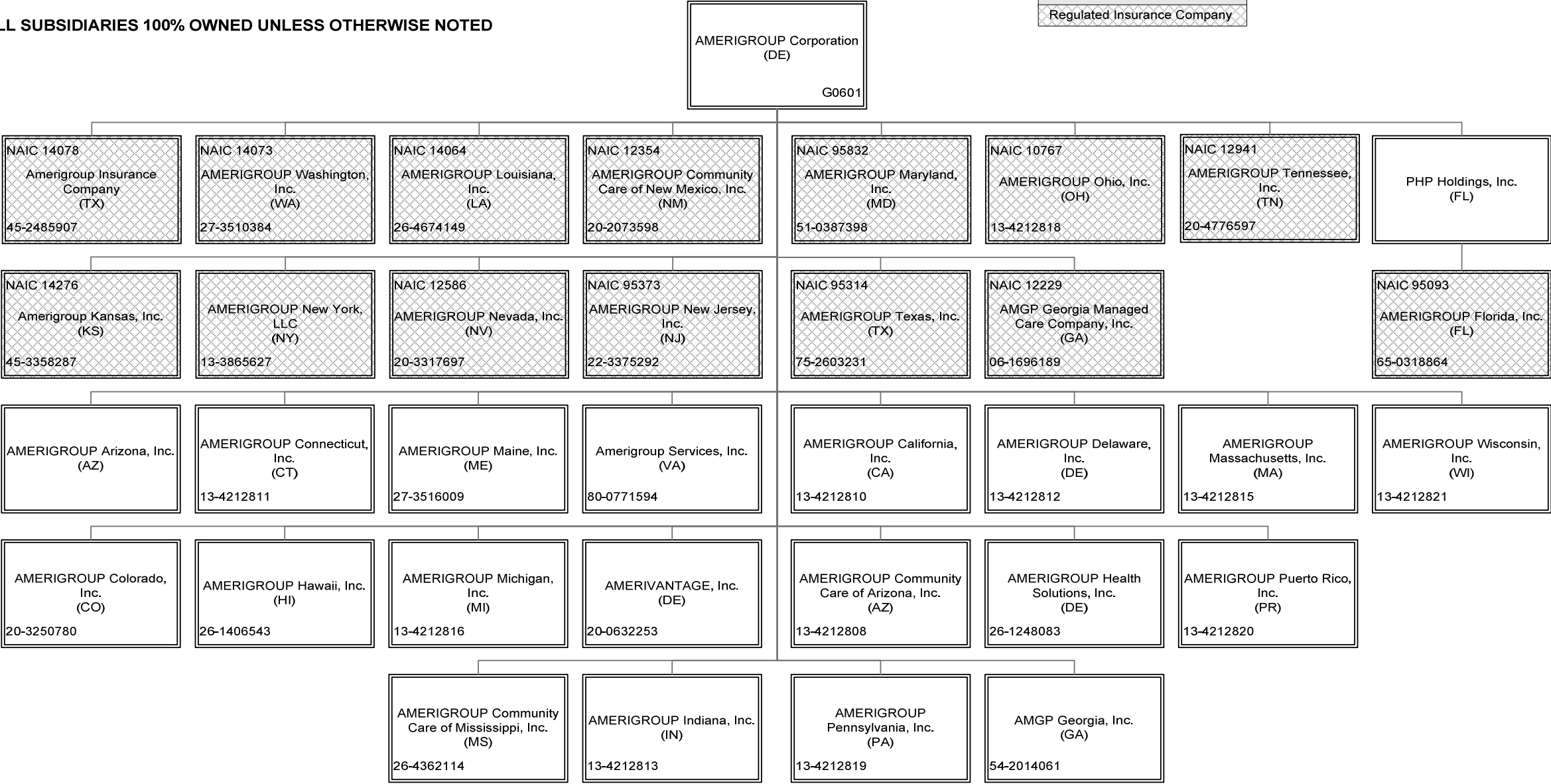
ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED



SCHEDULE Y – INFORMATION CONCERNING ACTIVITIES OF INSURER MEMBERS OF A HOLDING COMPANY GROUP
PART 1 – ORGANIZATIONAL CHART

ALL SUBSIDIARIES 100% OWNED UNLESS OTHERWISE NOTED

BCBSA Licensee
Regulated Insurance Company



OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Assets Line 25

		Current Year			Prior Year
		1	2	3	4
		Assets	Nonadmitted Assets	Net Admitted Assets (Cols. 1 - 2)	Net Admitted Assets
2504.	Miscellaneous Receivables	361,220	70,389	290,831	60,228
2597.	Summary of remaining write-ins for Line 25 from overflow page	361,220	70,389	290,831	60,228

Additional Write-ins for Liabilities Line 23

		Current Year			Prior Year
		1	2	3	4
		Covered	Uncovered	Total	Total
2304.	Retroactivity Liability	573,375		573,375	579,818
2307.	Summary of remaining write-ins for Line 23 from overflow page	573,375	0	573,375	579,818

ANNUAL STATEMENT FOR THE YEAR 2012 OF THE Anthem Health Plans of Maine, Inc.

OVERFLOW PAGE FOR WRITE-INS

Additional Write-ins for Exhibit 1 Line 6

Source of Enrollment	Total Members at End of					6 Current Year Member Months
	1 Prior Year	2 First Quarter	3 Second Quarter	4 Third Quarter	5 Current Year	
0604. Vision	74,484	76,675	80,774	82,272	84,093	984,393
0605. Stoploss	43,013	52,056	54,652	23,912	24,014	464,123
0697. Summary of remaining write-ins for Line 6 from overflow page	117,497	128,731	135,426	106,184	108,107	1,448,516

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